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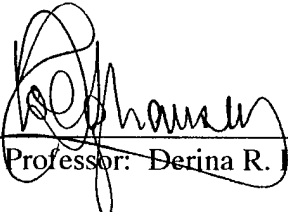
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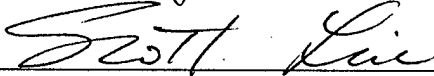
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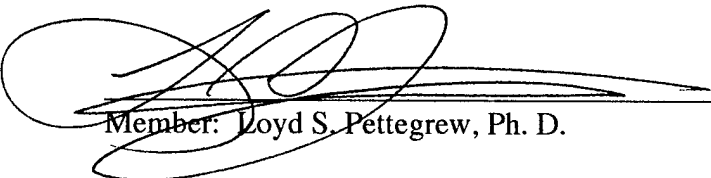
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CRISIS MANAGEMENT: A QUALITATIVE CASE STUDY

by

JEFFRY WILLIAM GLENN

A thesis submitted in partial fulfillment  
of the requirements for the degree of  
Master of Arts  
School of Mass Communications  
University of South Florida

April 1999

Major Professor: Derina R. Holtzhausen, Ph.D.

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CRISIS MANAGEMENT: A QUALITATIVE CASE STUDY

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*An Abstract*

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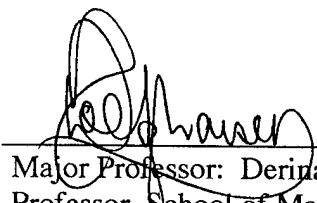
One only has to recall a few well-documented incidents such as Johnson & Johnson's Tylenol tampering crisis of the early 1980s, the Exxon Valdez oil disaster of the late 1980s, and the Dow Corning breast implant lawsuits that began in the early 1990s and continue to plague the company today, to recognize one of the emerging challenges in the public relations career field -- crisis management.

For an organization, the test of a crisis can literally make or break the company. For public relations, crises present not only a challenge, but also a window of opportunity to assist in proving the effectiveness of the profession. As such, the focus of this thesis is to examine the relationship between crisis management and public relations and how public relations professionals conduct crisis management on a daily basis.

Using a purposive sample of five participants and the in-depth interview method, general statements were developed. From these general statements, the issue of internal communications became salient and was examined through an ethnographic study at one of the companies.

Based on the results of the research, public relations professionals stressed the importance of having a plan, industry knowledge, internal communications, issues management, and protecting the reputation of the company as vital to their daily crisis management efforts. While the ethnographic study in Company A, uncovered a myriad of problems associated with its internal communications program that could cause complications for the company in the event of a crisis.

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March 16, 1999

## Chapter 1

### Introduction

#### *Overview*

One only has to recall a few well-documented incidents such as Johnson & Johnson's Tylenol tampering crisis of the early 1980s, the Exxon Valdez oil disaster of the late 1980s, and the Dow Corning breast implant lawsuits that began in the early 1990s and continue to plague the company today, to recognize one of the emerging challenges in the public relations career field -- crisis management.

As such, crisis management has seemingly become a business and management buzzword for the 1990s. This trend was foreshadowed by Fink (1986) in a study of chief executive officers of *Fortune* 500 companies. Eighty-nine percent of those CEOs reported that a business crisis was inevitable, while only 50 percent had a crisis management plan. Additionally, Fink "revealed that of those companies that reported having had a crisis in the past, 42 percent *still* do not have any sort of crisis management plan in the event another crisis hits" (p. 67).

While these findings are staggering by themselves, they become even more so when coupled with today's business and social environments, which are more complex and unstable than they have ever been. Briefly describing this new, volatile operating environment Lerbinger (1997) writes:

Too many things are changing: All products, not only high-tech, have shorter life cycles; new technologies embody risks that are increasingly difficult to calculate; government regulation, deregulation, and reregulation change the rules of the marketplace; competition is intensifying and has become global; consumerism, civil rights, animal rights, and other social movements require greater social responsiveness;

and concern about the environment is causing the substitution of the heralded goal of economic growth with that of sustainable economic growth (p. 4).

As a result of this dynamic new environment, a fairly safe assumption can be made that crises may be even more "inevitable" today, than they were just over a decade ago.

This assumption and the resulting increased focus on crisis management may have been responsible for the position of crisis specialist being named as one of the twenty hot career tracks for 1998 (Twenty hot career tracks, 1998). This recognition testifies that as crises become more and more an inseparable part of the business world, practitioners who can effectively manage them are becoming a highly desired commodity.

Through the very nature and definition of its profession, it would appear that a public relations professional is or should be a crisis specialist. As defined by Cutlip, Center & Broom (1985), "Public relations is the management function that establishes and maintains mutually beneficial relationships between an organization and publics on whom its success or failure depends" (p. 4). The actions necessary to establish and maintain these relationships provide the public relations professional with avenues to contribute to and be an integral part of an organization's crisis management efforts.

However, before an organization or a public relations professional can even begin to manage a crisis, he or she would first need to recognize that there is a crisis. As Teller (1997) points out, practitioners need to make the distinction between bad publicity and a crisis, and Dyer (1995) writes that, "too frequently we think of a crisis as a disaster or accident. That is a type of crisis (p. 38)."

In fact, there is no agreed upon standard list of crises for researchers and practitioners; however, an example of some of the possible main types and subtypes of crises that was developed by Mitroff, Pearson & Harrington (1996, pp. 73-74) is provided in Table 1. The reason for this variance in crisis types can be traced back to the definition and description of a crisis that is used.

Just like crisis types, there are also several variations on the definition of a crisis. For instance, according to Fink (1986) a crisis is "a time or state of affairs in which a decisive change is impending ..." (p. 15). Whereas Lerbinger (1997) describes it as, "... an event that brings, or has the potential for bringing an organization into disrepute and imperils its future profitability, growth, and, possibly, its very survival" (p. 4).

In order to operationalize the term, this study used the definition of crisis provided by Fearn-Banks (1996), "A crisis is a major occurrence with a potentially negative outcome affecting an organization, company, industry, as well as its publics, products, services, or good name. It interrupts normal business transactions and can threaten the existence of the organization" (p. 1).

Given this definition, it is easy to understand how crises garner intense mass media coverage. Especially when the crisis affects a large corporation -- the Johnson & Johnson Tylenol tampering case, Exxon Valdez oil spill and Dow Chemical breast implant crises attracted the attention of the national media and as such, portions of the national spotlight. Other crises involving large corporations in the past seemingly have had the same effect, such as Union Carbide's Bhopal disaster and Pepsi's syringe hoax. According to the Institute for Crisis Management's report on News coverage of business crisis events during 1997, this trend continues today as the top three companies with the most news stories about crises during that year were United Parcel Service, General Motors, and Texaco, respectively.



Table 1. Types of crises.

<b>MAIN TYPES</b>	<b>SUBTYPES</b>
Criminal attacks	Copycats, employee violence, product tampering, sabotage, sexual harassment, terrorism
Economic attacks	Boycotts, hostile takeovers, stock devaluation strikes
Loss of proprietary information	False rumors, copyright infringement, counterfeiting, proprietary information
Industrial disasters	Major contaminations, major explosions, major fires, major releases, major spills
Natural disasters	Blizzards, earthquakes, electrical storms, floods, tornadoes, typhoons
Breaks in equipment and plants	Computer breakdowns, distribution net defects, major operator errors, major product defects, major product recalls, manufacturing/plant defects, security breakdowns, telecommunications breaks, quality defects
Legal	Major corporate lawsuits, major class action suits, major distributor suits, major officer liabilities
Reputational/Perceptual	Damaging and/or false rumors, damage to reputation, projection onto Brand or Logo
Human resources/Occupational	Employee violence, executive succession, family violence, faulty corporate culture, sexual harassment
Health	AIDS, environmental contamination, job related injuries, job related deaths
Regulatory	Adverse company regulations, adverse special interests, adverse industry regulations

However, while the crises of large corporations and organizations get the lion's share of media attention, given the definition of a crisis and Fink's (1986) findings, every company, organization or business operating today is seemingly susceptible to having a crisis. That crisis may come with little or no warning, such as a natural disaster or the Exxon Valdez oil spill, or perhaps it will slowly build up steam like the Dow Chemical breast implant crisis. But, regardless of the type of crisis or the manner in which it arrives, every public relations professional and organization, without regard to the size or scope of the organization, should make plans to attempt to manage crises or more specifically, practice crisis management.

Much like the term crisis, crisis management can also be an ambiguous term, so this study used it as defined in Preble (1997):

Crisis management deals with attempts to identify and predict areas of potential crises, the development of actions and measures designed to prevent crises from occurring or from an incident evolving into a crisis, and minimizing the effects or disruption from a crisis that could not be prevented (p. 773).

While this definition of crisis management explains what it is and the actions necessary to conduct crisis management, it does not tell an organization or public relations professional how to conduct crisis management.

Therefore, given the possible ramifications that a crisis can have on an organization, the general purpose of this study was to determine what an organization needs to do in order to be prepared to manage a crisis. Further, and perhaps more importantly, it attempted to identify through the use of qualitative research methods how crisis management is practiced among public relations professionals.

#### *Background of the Study*

Crisis management is an emerging field not only because of the increased focus and attention it has recently garnered, but also because, as Preble (1997) notes, "its

practice and theory development are still in the formative stages ..." (p. 776). Preble writes further that while some research on crisis management was conducted in the 1960s and 1970s, "... 80 percent of crisis management publications appeared after 1985" (p. 776).

Complicating and somewhat hindering the theory development and practice of crisis management is the multidisciplinary nature of the field. Individuals from a variety of disciplines have conducted research in crisis management to include economics, psychology, chemical engineering and public relations. Consequently, with each discipline comes a unique set of terms as well as a unique perspective into the field of crisis management. This results in confusion over terms and jargon and slows the overall development of crisis management (Preble, 1997).

While Mitroff & Pauchant (1990) also note that crisis management is a relatively new field, they also recognize its increasing importance. Crisis management is "extremely important because for the first time in history, humankind has the potential to create crises which can rival natural disasters in their scope and magnitude" and point to the devastating impact of crises like Bhopal, the Space Shuttle Challenger explosion, and Exxon Valdez to make their point (p. 67).

Because the field of crisis management is new yet remarkably diversified, and extremely important, in order to conduct a meaningful and thorough study on crisis management it was imperative to pare it down to a manageable level. Thus, in an effort to reduce possible confusion over terms and jargon and to narrow the focus of this study to predominately one discipline, I examined the issue of crisis management from a public relations perspective.

This was not meant to downplay the importance of the contributions from any other field of study and various aspects from other disciplines, such as communications and management, have been included. However, the overall intent of this study was to concentrate on the relationship between public relations and crisis management.

This was done for two reasons. One, as previously mentioned, the profession of public relations appears to easily lend itself to crisis management; and two, since I am both a public relations professional and scholar, it was quite natural to examine crisis management from this perspective.

### *Statement of the Problem*

Gonzalez-Herrero & Pratt (1995) write that "Business crises put corporate reputations and survival to the test" (p. 5). How corporations and public relations professionals respond to those tests can and do have immense and far-reaching impacts.

The Three Mile Island nuclear accident crisis resulted in more than one billion dollars in clean-up costs and damaged the reputation of the nuclear power industry so extensively that it is seemingly beyond repair. A different crisis, caused by a government investigation into and conviction of securities and mail fraud, spelled the end of the brokerage firm Drexel Burnham Lambert (Gottschalk, 1993). Based on the devastation caused by these crises and the lingering results, one can argue that these organizations failed the test.

At the other end of the spectrum, however, are examples such as Pepsi's syringe hoax and Johnson & Johnson's unparalleled actions during the Tylenol tampering crisis which, according to Lerbinger (1997) have become "... a model for responding to a crisis of malevolence" (p. 149).

However, even status as a "model for responding" does not intend to imply that there wasn't any negative impact on Johnson & Johnson. Fearn-Banks (1996) writes that, "The crisis cost the company more than 100 million dollars" (p. 111). But, she is quick to counter with the measuring stick of success for Johnson & Johnson and its performance during and after the tampering crisis, "Tylenol has regained 100 percent of the market share it had before the crisis" (p.111).

For an organization then, the test of a crisis can literally make or break the company. Therefore, the ability to conduct successful crisis management becomes an

invaluable asset for the organization. For a public relations professional, the stakes can be just as high before, during, and after a crisis. While the possibility of losing one's credibility or worse yet, employment, should be motivation enough to conduct crisis management, there is another reason to conduct it.

With those high stakes also come the possibility of high rewards. Wylie (1997) describes this opportunity when he writes that for public relations, "... success will be measured in terms of its ability to affect positive change, to demonstrate that it can anticipate trends, evaluate the potential, and create effective plans to manage their quick-changing evolution" (p. 34). Therefore, for the public relations professional crises present not only a challenge, but also a window of opportunity for public relations as a profession -- a window that may help to prove the effectiveness of public relations programs.

However, despite the opportunities and perhaps because of the high stakes, there has been somewhat of a reluctance for public relations professionals to get involved with crisis management or to develop crisis management plans. Coyne & Elzy (1995) write, "This is evident in the cancellation of a crisis management workshop at the PRSA Counselor's Academy Spring Conference in 1991, due to a lack of interest" (p. 22).

Part of this apathy on the part of public relations professionals may be explained by the fact that the crises detailed and examined in books as well as scholarly research on crises, focus on situations that garnered national attention and involved large corporations. Therefore, public relations professionals at smaller companies may not feel a sense of urgency for conducting crisis management, because it only happens to large organizations. But, even large companies are reluctant to practice crisis management. Preble (1997) writes, "In a survey of *Fortune* 500 firms, several respondents in firms lacking crisis capability said they believed their companies to be immune from crises" (p. 781).

Mitroff, Pearson & Harrington (1996) identified reasons why organizations do not practice crisis management, "We're big enough to handle any crisis; Accidents are just the cost of doing business; Crisis management is a luxury that we can't afford; If we have a major crisis, then someone else will rescue us" (p. 83). Mitroff & Pauchant (1990) identified another reason that crisis management isn't being practiced by organizations or senior executives as, "... the fact that they could not emotionally handle the extreme anxieties and fears that even the thought of a crisis raised" (p. xiv).

In essence, much of what is written about crisis management highlights the point that crisis management is not being practiced by organizations or public relations professionals. Yet, the possible dire impacts on an organization and on a public relations practitioner coupled with the possible rewards, make crisis management an absolute necessity. As such, a focus of this study was to outline the actions that an organization needs to take in order to be prepared to prevent or manage a crisis.

More importantly though, this study attempted to determine how crisis management was actually being practiced among public relations practitioners. In order to accomplish this, the study focused primarily on what public relations practitioners *are* doing in the area of crisis management. From this data, an area of importance among the practitioners, internal communications, was examined in order to further the theory of both public relations and crisis management.

### *Significance of the Problem*

Because of the previously discussed inevitability of a crisis and the relatively new discipline of crisis management, research in the area of crisis management that can further the development of theory is vital. What appeared to be missing from this study's literature review, was an examination of how public relations professionals actually conduct crisis management and as such, the factors of crisis management that are most relevant to them.

This was somewhat surprising because while crisis management may be a relatively new field of study, public relations is not -- Bernays (1952) traces the origins of public relations back to before the Dark Ages. Yet, while one is old and the other new, both have been hindered. Crisis management has been hindered in the area of theory development, while public relations has been hindered, not as much in the area of theory, but rather most recently in determining its effectiveness for an organization (Hon, 1998). However, as explained previously by Wylie (1997) crisis management provides public relations an opportunity to prove its effectiveness to an organization.

In order to determine what an organization needs to do in order to carry out effective crisis management, this study provides a textbook approach and synopsis of crisis management theory, based on the literature reviewed. But, the largest contribution to the theory development of crisis management comes from this study's examination of how public relations professionals actually conduct crisis management and the organizational factors those same public relations professionals identified that impact on the ability to conduct crisis management.

## Chapter 2

### Review of Related Literature

#### *Existing Research in Crisis Management*

As might be expected by the rather large body of knowledge on the subject of crisis management, there are various ways to tackle the issue; however, the key concepts of effective crisis management -- the ability to prevent an issue from becoming a crisis or to minimize the impact of the crisis -- seem to be interwoven in one form or another throughout much of the reported research. Specifically, and in large part due to the paring of the issue of crisis management to predominately a public relations perspective, much of the literature reviewed centered on prevention of the crisis or response to it once it has arrived.

For example, the work by Guth (1995) outlines ways to take a proactive approach to crisis communication by identifying potential threats and taking preventive action. Dyer (1995) stresses the importance of getting the entire company involved in the crisis communication plan in order to be prepared to respond. Major (1993) uses environmental concern to extend the situational theory of publics to aid practitioners in dealing with environmental publics. This approach was exploratory, but could benefit the practitioners who have to deal with environmental publics. Lauzen (1994) looks at how the assigned role of the public relations professional (whether he or she is a technician or manager) can impact on the ability to conduct effective issues management.

Along the lines of providing advice for formulating a response, Birch (1994) points out that technological advances in the communications industry now force companies to respond globally, while Teller (1997) stresses ten rules for communicating



during a crisis, that begin with “take responsibility” (p. 1) Additionally, Steele and Hallahan (1998) explain the important role that framing<sup>1</sup> by the media plays and highlight the importance of crisis managers appropriately framing an issue early in the response phase.

Two closely related research avenues in the category of crisis response come from Benoit (1997) and Coombs (1998). Benoit (1997) uses the theory of image repair discourse in order to formulate messages that can be used by organizations as well as individuals in order to respond effectively during a crisis. According to Benoit, “The key to understanding image repair strategies is to consider the nature of attacks or complaints that prompt such responses or instigate a corporate crisis” (p. 178). The nature of attack is centered around either holding the accused responsible for an action or an offensive act. Once the nature of the attack has been formulated an image repair strategy must be chosen in order to determine the type of message that should be given by the organization or individual under attack. Benoit developed five categories of image repair strategies: denial, evasion of responsibility, reducing the offensiveness of the event, corrective action, and mortification, that were broken out further to result in fourteen crisis communication strategies (CCS).

Coombs (1998) builds on many of the same theoretical constructs as Benoit (1997); however, the major difference is that Coombs attempts to determine how responsibility for a crisis is perceived, using the factors of crisis attributions, organizational performance, and severity of the crisis. Once the organization’s level of responsibility has been determined using those three factors, that impacts on the CCS to be used. Crisis attributions are explained through external control, the impact or amount of control that entities outside the organization had on the crisis; or personal

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<sup>1</sup>According to Gamson (1988), media framing involves placing an issue into an overall package, in order for the issue to be better understood. “The frame suggests what the issue is about” (p. 165).

control/locus of causality, which is the amount of control the organization itself had over the crisis. Organizational performance is determined by the existing image of the organization based on its either good or bad past performance. A good image will lessen the impact of a crisis, while a history of bad performance which results in a bad image will intensify the impact of a crisis. Finally, responsibility for the crisis should be affected by the severity of the crisis. Specifically, the more severe the damage caused by the crisis, the more severe that the organization's image will be damaged (Coombs, 1998).

However, according to Benoit (1997) one of the major limitations of these two research avenues is that they are based on persuasion. Benoit writes " ... the powers of persuasion are limited. There was relatively little that could have been done to restore Exxon's image after the *Valdez* oil spill ..." (p. 185).

While the previous samples of crisis management literature came exclusively from journal articles, there is also no shortage of books on the issue of crisis management (e.g., Fink, 1986; Fearn-Banks, 1996; Lerbinger, 1997; Mitroff & Pauchant, 1990). However, because books are not held to the same length limitations as journal articles, this provided the books with a major advantage in that they were able to expand on all areas of crisis management -- actions to take before, during and after a crisis.

Two books by Mitroff and Pauchant (1990) and Pauchant and Mitroff (1992) focus particular attention on the organizational aspects of crisis management. Based on their research, Mitroff and Pauchant (1990) determined that just like an individual that is susceptible to accidents, "Some organizations can be characterized as a crisis of huge proportions waiting to happen" (pp. 14-15). Mitroff and Pauchant refer to these organizations as "crisis prone" (p. 15). On the other hand, these two authors label organizations that, "have at least done everything humanly possible to try to prevent major crises from occurring in the first place and to manage better those that still happen ... crisis prepared" (p. 15).

Pauchant and Mitroff (1992) determined that there are four basic factors that determine whether an organization should be viewed as crisis prone or crisis prepared. Using those factors they developed an Onion Model of Crisis Management, named as such because, each factor has to be looked at in-turn, "like the layers of an onion" (p. 48). The Onion Model's outer layer or factor is labeled organizational strategies. This factor consists of the organization's "existing programs, procedures, and mechanisms specifically developed to deal with crises" (p. 50). Next, comes the factor of organizational structure and it "evaluates how well the everyday operating structure of an organization either contributes to or inhibits crises" (p. 50).

Pauchant and Mitroff (1992) stress that the final two layers "... are the hardest to see -- and often the most important" (p. 51). They are organizational culture, which is the organization's "... unwritten and unspoken rules, codes of conduct, belief systems ...;" and lastly, the character of the individuals working for the organization, which "addresses the subjective experiences of the individuals who form an organization" (p. 51).

### *Public Relations Theories*

The major focus of this study was to examine the link between public relations and crisis management, by attempting to determine how crisis management is conducted by public relations professionals. Therefore, it is necessary to provide an explanation of the public relations theories that have already been touched upon in the literature or that will be melded with crisis management in the section that follows.

Nearly all of the public relations theory found throughout the reviewed crisis management literature can be traced to some form of research that has been done by James E. Grunig. In fact, all of those theories can be found in the seminal work by Grunig (1992), *Excellence in Public Relations and Communication Management*. Those theories or concepts are the models of public relations and communications; Grunig's

situational theory of publics; and discussions of strategic management, publics, and issues. A brief overview of each follows:

*Models of public relations*

While historians and authors described activities of public relations practitioners, it was J. Grunig and Hunt (1984) who identified the four models of public relations. The four models provide a framework to identify the type of public relations that an organization may use and more importantly, give normative examples for practitioners. The brief description and characteristics of the four models (p. 21) are as follows:

*Press agentry/publicity.* J. Grunig and L. Grunig (1992) write that while a quasi-form of public relations had been practiced through the ages, "... the press agents of the mid-19th century were the first full-time specialists to practice public relations" (p. 287). Basically, press agents would promote the organization, often through incomplete, distorted, or half-truth information, with the intention of getting positive coverage for it -- one of the most noted press agents was P.T. Barnum. The overall purpose of this model is propaganda through the use of persuasion and it has a one-way mode of communication from sender to receiver.

*Public information.* In the late 1880's, the nature of journalism and the press changed. In an effort to expose misconduct by businesses, government, and politicians, and stimulate reform, journalists began to lash out and conduct investigations into the activities of these agencies (Sabato, 1991). In a reaction to this change in the press, the model of public information was born. Journalists were hired by organizations in order to put positive information out, however, unlike the press agentry/publicity model, the truth is very important -- Ivy Lee was a pioneer of public information. Dissemination of information is the focus of this model, which also practices one-way communication from sender to receiver and relies on persuasion.

*Two-way asymmetric.* Bernays (1952) describes the World War I era as, "the rise of a new profession" (p. 77). For it was at this time, that Bernays began his work in

public relations and incorporated the social sciences into it for the first time. As a result of this theoretical integration, research was conducted on audiences in order to influence and direct public attitudes (Ewan, 1996). Therefore, as the name implies, this model uses two-way communication; however, since the intent of the communication is scientific persuasion, this method is viewed as unbalanced. In short, this model is only concerned with the organization's welfare and in maintaining its position, with no regard for the publics it impacts upon.

*Two-way symmetric.* Based on the writing of Bernays and Lee, Grunig and Hunt (1984) established this model, based on a mutual understanding of the organizations and its publics and the truth. Two-way communication and formative research that aims to evaluate understanding between the organization and its publics are combined to enable balanced communication to take place. As J. Grunig and L. Grunig write, "In the symmetrical model, understanding is the principal objective of public relations rather than persuasion" (1992, p. 289). The aim here is to get an organization and its publics to understand the views of one another and come to a position that benefits both.

The models, and in particular the two-way symmetrical model, have been refined since their introduction in 1984 and extensive research has been conducted on why different organizations practice different models --such as organizational culture and the abilities of the public relations staff. However, perhaps most importantly, further research on the models and the excellence study has developed a mixed-model of public relations that combines the short-term use of asymmetrical practices within the long-term objective of symmetrical communication (Dozier, J. Grunig & L. Grunig, 1995). However, the two-way symmetric model can still be viewed as the normative model to practice. By establishing relationships with publics that foster mutual understanding of issues and actions, conflicts should be reduced and, therefore, human-provoked crises may be avoided.

### *Situational Theory*

In order to effectively utilize two-way symmetrical communication, organizations need to know with whom they are or should be trying to communicate. In an effort to help define an organization's publics and predict their behavior, J. Grunig (1992) developed a situational theory of publics that states that a population of people can be broken down into publics based on communication and behavior characteristics.

The publics can be segmented through the use of five variables, three of which are independent (problem-recognition, constraint-recognition, and level of involvement) and the other two are dependent (information-processing and information-seeking): 1) problem recognition identifies whether or not the individual realizes there is a problem; 2) constraint recognition is the extent to which the individual believes or perceives that there are constraints hindering his or her ability to resolve or take action to reduce the problem; and, 3) level of involvement defines how personally the individual feels the problem affects or pertains to him or her. In the case of the dependent variables, information-processing is seen as passive because that segmented public will process information that comes to it. On the other hand, information-seeking is seen as active communication because the public will look for information to use for its response.

These variables work together to form four basic types of public that can be generalized as follows:

Active - Organizes to act on a problem.

Aware - Recognizes the existence of a problem, but doesn't organize to solve it.

Latent - Shares a similar problem, but doesn't recognize the problem exists

Nonpublic - If none of the above categories apply.

The normal progression for a public is from latent to aware to active.

An important aspect of crisis management is communicating before, during, and after crises. Situational theory provides a vehicle for the crisis management practitioner to

identify and prioritize communication efforts towards various publics, based on the level of progression that the public is in, from non-public to active-public.

### *Strategic Management*

In his strategic management model of public relations, J. Grunig (1992) developed a model that aims to incorporate the strategic management of an organization with the strategic management of public relations. He developed three stages that describe how publics and issues evolve:

Stakeholder stage - An organization has a relationship with a stakeholder when the behavior of either has consequences on the other.

Public stage - A public forms when stakeholders recognize a consequence as a problem and organize to solve it.

Issue stage - The public creates an issue out of the problem.

In order to reduce the chance of ever getting to the issue stage, J. Grunig (1992) outlined a strategic public relations plan. The plan states that organizations should identify potential problems or issues with stakeholders, segment the publics by type of response to the problem, identify objectives for a communications plan, then evaluate the effectiveness of the communication programs. Within this framework, issues management consists of several actions, but overall “strategic public relations = issues management” (J. Grunig, 1992, p. 147). As for the origination of the term issues management, “W. Howard Chase, a corporate public relations practitioner and a founding member of the Public Relations Society of America, is credited with first using the term ‘issues management’” (Sullivan, 1995, p. 4). Chase along with Barrie Jones, developed the Chase/Jones Issue Management Process Model in 1979.

The Chase/Jones model takes a systems approach and identified five stages for the model: Issues identification, issues analysis, issue change strategy option, issues action program, and evaluation of results.

However, no matter what the method or exact composition of issues management is, a growing debate, from a public relations' viewpoint, seems to be centered on how it is practiced and by whom. J. Grunig (1992) notes that Chase takes a clearly "asymmetrical" approach to issues management in favor of the organization -- not in line with the win-win or symmetrical worldview of communications. Sullivan (1995) argues that issues management should be performed by public relations practitioners. For crisis management, issues management serves to identify and resolve potential problems before they reach the crisis stage. In essence, mediating a crisis before it begins.

#### *Melding Crisis Management with Public Relations*

Gonzalez-Herrero and Pratt (1995) developed an integrated symmetrical model for crisis communications management to deal with "human-provoked, organizationally induced crises"(p. 2). They made their model by combining the situational theory of publics, issue management concepts and the two-way symmetrical communications model.

The situational theory of publics is used for crisis communications because it can help to outline the manner in which organizations should focus on and respond to publics depending on their maturation level from latent to active. Issues management can be used to identify potential issues, which when combined with two-way symmetrical communication can resolve the issues before they develop into crises.

Aside from these theoretical constructs, another factor that Gonzalez-Herrero and Pratt take into account is the life cycle of a crisis, which is modeled after the biological life cycle and consists of birth, growth, maturity and decline phases.

Using that life cycle, if an organization is able to stop a crisis before it is even started it is referred to as a "crisis abortion." If the organization can shorten the life cycle or keep it from developing fully, Gonzalez-Herrero and Pratt refer to this as "crisis killing" (1995, p.15).



At the issues management step, the organization searches the environment for troublesome issues and develops a strategy to handle them. In the planning-prevention step, the organization begins to formulate a contingency plan in case the problem cannot be resolved. If the crisis occurs, the organization implements and refines the crisis plan. Once the crisis is over, the organization needs to follow the issue and continue to pay attention to the media and its publics in the post-crisis step, especially considering the form of the crisis. Gonzalez-Herrero and Pratt, based on previous research, conclude that "typical crises can evolve into three types (1995, p.28):

Scaleable - Further developments move a crisis into a new growth or other stage.

Fad - Aided by the media, this crisis peaks very quickly then subsides.

Cyclical - A crisis seems to have been in decline, then changes direction and achieves a point of concern higher than before.

The current impeachment proceedings of President Clinton is an example of a scaleable crisis. While the exact starting point of the crisis can be debated, the Paula Jones lawsuit certainly provided impetus for the current crisis. The continued developments in the lawsuit, such as the events involving Monica Lewinsky, continued to move the crisis to a higher and higher stage of growth. According to Gonzalez-Herrero and Pratt, Intel's Pentium chip crisis in 1994 is an example of a fad crisis, while McDonald's hot coffee spill crisis of the early 1990s serves as an example of a cyclical crises.

Gonzalez-Herrero and Pratt write the final key point of the post-crisis, "The end of one crisis is usually the beginning of another. The process is restarted and the issue management and planning-prevention systems are reactivated to prevent the possible onset of crises" (1995, p. 30).

### *Basics of Crisis Management*

While approaches to crisis management vary throughout this research, what does not vary is the fact that some sort of planning or preparedness has to be done by an

organization in order to begin to manage a crisis. Echoing much of the reviewed research, Center and Jackson (1995) write that organizations should, "Institute and practice a crisis communications plan for those events that may happen to your organization" (p. 425). However, the reviewed research provides no single formula for an organization's crisis management plan -- there are several variations on the format and scope.

Mitroff and Pearson (1993) state that the plan should address the signal-detection, preparation/prevention, containment/damage litigation, recovery, and learning phases. Fink (1986) writes that an effective crisis management plan presets certain key decisions on the mechanical portions of the crisis -- those aspects that rarely vary ..." (p. 55). Nudell and Antokol (1988) also provide their own checklist for what should go into a crisis management plan. In short, from the reviewed literature it appears that a basic element of crisis management is a plan and that plan should address issues management, preparation for the crisis, the crisis, and post-crisis actions in order to be effective. A brief description of the characteristics of these four stages follows.

#### *Issues Management*

The first step at this stage is for an organization to define potential crises and their implications. Guth (1995) refers to this as risk assessment and Giggliotti and Jason (1991) note that, "One of the best approaches to plan preparation involves the drafting of a preliminary outline that lists the threat or emergency conditions with which the plan will prepare the organization to deal" (p. 37). Once completed and defined, the organization should also scan the environment for clues that an issue will result in a crisis. Public relations professionals conduct formal environmental scanning through content analysis of the media and by accomplishing survey and focus groups of various publics. Informal environmental scanning is accomplished through any external sources that the practitioner may have to include media contacts, and by tracking complaints received by the organization (Lauzen, 1998).

Pauchant and Mitroff (1992) refer to this as signal detection and Fink (1996) makes reference to searching for prodromes, which come “from Greek for ‘running before’ and meaning ‘warning signs,’ the ‘precrises’ if you will ...” (p. 7). As J. Grunig (1992) writes, “Public relations should anticipate these issues and manage the organization’s response to them” (p. 124). Finally, as Lerbinger (1997) writes, “... a ‘crisis threshold’ should be established for every contingency, that is, a concrete signal or set of indicators that a crisis is on hand or imminent ...” (p. 22). In essence, the actions taken at this level are to try and identify possible crises, to prevent or minimize an issue before it can become a crisis, and to know at what point a crisis is occurring.

#### *Preparation for the Crisis*

At this point in crisis management, the issue has developed to the point that a crisis is extremely likely or imminent. Therefore, this phase of the plan should deal with preparing the organization for the crisis. There are various ways to prepare the organization for the crisis such as Gonzalez-Herrero and Pratt’s (1995) steps to take at the planning-prevention stage and Fearn-Banks (1996) suggestion to gather information that will be asked for by the media. However, some basic planning at this stage is to determine the crisis management team and assemble it in a crisis response center; identify various publics that will need to be addressed; develop organizational messages, themes, and questions and answers; and examine and try to determine the scope and possible impact of the crisis.

#### *Crisis*

The next stage in crisis management is dealing with or trying to manage the crisis itself. As previously discussed, Coombs (1998) and Benoit (1997) argue that the crisis response should be determined by the type of crisis, whereas Teller (1997) outlines ten rules to follow while communicating during a crisis, such as taking responsibility, using research to formulate responses, and enlisting the aid of third party endorsements.

Perhaps though, Center and Jackson (1995) summarize this phase of crisis management the best, "... the term crisis management does not imply that an organization or its public relations staff can *manage* external influences. What can -- and must -- be managed is the *response*" (p. 422).

Lerbinger (1997) outlines a strategy for managing an organization's response during a crisis that consists of conducting fact-finding about the crisis; identifying a single spokesperson; holding news conferences and issuing media releases as soon as the facts have been gathered; and stressing the importance of communicating directly with key publics such as employees.

Zoch and Duhe (1997) point out that "... how a practitioner deals with the media during an emergency goes a long way toward determining how the media will cover the event" (p. 16). According to Zoch and Duhe, the media are looking for a nearly constant flow of information from the company and they prefer to speak with the CEO or head of the company as opposed to the public relations professional. Knowing that the media prefer to speak with the head of the company, and would do so when given the opportunity, is nearly a sure-fire way for the organization's message to get into the media.

Basically then, the actions to be taken in this phase center around communicating the organization's response in an effort to limit the impact or length of the actual crisis.

#### *Post-crisis*

Once the crisis has finally passed, it is time to evaluate the crisis and how the organization handled it with regard to the crisis management plan. The steps outlined by Gonzalez-Herrero and Pratt (1995) at the post-crisis stage for an organization provide an excellent base for this stage. These authors advise the practitioner to continue to pay attention to relevant publics and express concern to solve the problem; to monitor the issue until its intensity is reduced (in case of re-emergence); to continue to inform media of the organization's actions; to evaluate the crisis management plan and incorporate

feedback into it; and to continue to develop long-term, two-way symmetrical communication to reduce crisis damage.

Fink (1986) points out, "This phase, then, should be viewed as a period of self-assessment, modification, fine-tuning, and even mid-course correction at all levels" (p. 91). In short, this stage details that organizations should have a plan for follow-up actions to the actual crises as well as a plan for evaluating how the crisis management plan worked. Fink, however, warns, "A crisis management plan will never solve your crisis. The plan is nothing more than a tool to enable *you* to solve the crisis" (p. 66).

### *Conclusion*

From the study's reviewed literature, my own preference is for the integrated symmetrical model for crisis communications management developed by Gonzalez-Herrero and Pratt (1995). This model combines crisis management and public relations theory, in a straight-forward manner that appears easy to implement and extensive enough to be effective.

While the model is designed specifically to handle human-provoked organizationally induced crises -- as noted earlier, there is no standard list of crises; however, Lerbinger (1997) details seven types of crises that include natural and technological crises -- the framework of the model would appear to also apply to other forms of crises.

### Chapter 3

#### Research Design

##### *Research Question*

This study's literature review displayed an abundance of strategies for ways to approach and conduct crisis management. The predominance of this literature was conducted by scholars and as such, much of the reviewed literature takes on somewhat of a "normative" view. As J. Grunig and L. Grunig (1992) write, "A normative theory defines how things should be or how some activity should be carried out" (p. 291).

Therefore, from a normative theory perspective it appears that in order for a corporation to conduct successful crisis management, an extremely thorough crisis management plan is required. By thorough, the plan should address the actions necessary to conduct issues management, preparation for the crisis, the crisis, and post-crisis actions.

However, this study's reviewed literature has already shown an apathy on the part of organizations and public relations practitioners to develop crisis management plans. Perhaps then, the adage "that's good in theory, but not in practice" holds true for crisis management since in the normative world, every organization and public relations professional would have an extremely thorough and rehearsed crisis management plan.

However, this is not a normative world. As evidenced by this study's reviewed literature, every organization and public relations professional does not have a crisis management plan, yet crises affecting corporations and organizations make national headlines throughout the year. Therefore it seems safe to assume that there must be some attention, either through actions or thoughts, given to crisis management by public

relations professionals. Perhaps that attention has not been formalized into a plan yet, but still exists and is a part of the function of the public relations professional.

Trying to determine the scope of those actions or why action in the area of crisis management is not taken is the challenge -- “positive” theory may hold the answers. As explained by J. Grunig and L. Grunig (1992), “Positive theories describe phenomena, events, or activities as they actually occur” (p. 291). From this perspective then, crisis management should be examined to see how it *is* conducted rather than how it *should* be conducted by public relations professionals. However, there was a gap in the reviewed literature that doesn’t address the issue of how public relations professionals actually practice crisis management, which formed the basis of the research question.

RQ: How do public relations professionals conduct crisis management?

### *Methodology*

For nearly any social scientific study, the research strategy and methodology correlate directly to the research questions being asked. The reviewed literature does not address this specific research question and, therefore, results in a gap of scholarly research, which makes this study exploratory. Marshall and Rossman (1995) argue that when a study is exploratory and the desired outcome is “to investigate little understood phenomena” then a case or field study approach should be taken, using qualitative methods such as in-depth interviews (p. 41). Morse (1994) also notes that if a research question addresses a gap in knowledge, it is “a good candidate for a qualitative study” (p. 221).

Denzin and Lincoln (1994) write, “The word *qualitative* implies an emphasis on processes and meanings that are not rigorously examined or measured (if measured at all), in terms of quantity, amount, intensity or frequency” (p. 4). Basically, qualitative methods attempt to determine what is happening in the actual setting that events or phenomena are taking place. In this instance, public relations professionals should be queried or examined in order to determine how they conduct crisis management.

However, in order to help inform and guide this inquiry, it is important to understand the paradigm that the qualitative researcher took toward this study.

According to Guba and Lincoln (1994), there are four basic paradigms in qualitative research:

Positivist - uses quantitative methods and experiments to verify hypotheses. These findings are then deemed to be true and real, due to the strict control of variables and the context-free environment.

Post-positivist - uses quantitative and/or qualitative methods and modified experiments to falsify hypotheses. These findings are then deemed to be true and real, but in an imperfect sense due mainly to human involvement.

Critical theory - uses dialogue and a value-mediated approach to determine a reality that is shaped and determined through a history of events and the accompanying multitude of contexts. Therefore, the values of the researcher, respondent, and society all shape the outcomes and impact on the research.

Constructivism - uses dialogue between the researcher and respondent to create a reality that is not necessarily more or less true or real than others, but rather it is a more informed truth or reality. This is due to the interaction between the researcher and respondent and the construction of the findings that are created during the process.

Because the aim of this study's inquiry was to explain the phenomena of crisis management and how it is conducted by public relations professionals, this study took a post-positivist approach to the issue. This approach was taken, because it was not my intent to critique or reconstruct crisis management and I fully accept and acknowledge the impact that human involvement had in this research.

Since the area to be studied was exploratory and, therefore, there was no previous theoretical work to base this portion of the study on, a grounded theory approach appeared to be the best and was taken. Grounded theory starts with a small sample of individuals in order to obtain in-depth knowledge about the phenomena in question -- for



this study of crisis management. Based on the data obtained from the sample group, further examination can then be conducted and conclusions drawn about the phenomena because it is based on actual real-world practices (Broom & Dozier, 1990).

The method of in-depth interviews was chosen for this initial research because the aim of this study was to get the respondent's views on how crisis management is actually conducted. The strengths of this method are that large amounts of data can be collected quickly and immediate feedback is possible. The weaknesses, however, are that respondents must be willing to participate, be truthful and they must understand the issue being studied. In an effort to neutralize or at least limit the weaknesses of in-depth interviews, a purposive sampling method was used (Marshall & Rossman, 1995).

The purposive sample consisted of five public relations practitioners from various industries who had more than ten years of experience and were either the head of the public relations/communications department or were responsible for the crisis management activities of their organization. These factors were chosen to select the study's sample population in an effort to have a sample that had some impact on the public relations activities of its organization, was accessible and willing to participate, and was aware or knowledgeable of the public relations profession.

A purposive sample is not representative of the public relations profession at large and the conclusions of this study can not be generalized to that group. The sample did provide an in-depth look at how they conduct crisis management, which was one of the aims of this study. Further, Hon (1993) points out that while working with a small number of people, "... raises the red flag of the quantitatively trained scientist" for a qualitative researcher who is looking for in-depth data, "less is more" (p. 12).

The participants were free to discuss crisis management in any form or fashion that they desired. This included telling stories about previous crises they had encountered or their organizations had been through. The four areas of crisis management identified by the literature (issues management, preparation for the crisis,

crisis, and post-crisis actions) were also explored through questions posed by the interviewer.

### *Data Gathering and Analysis*

Initial contact was made with the participants by telephone in order to provide a brief description of the focus of the research project and to schedule an appointment for the interview. At this time, each participant was informed that a minimum of an hour would be needed to conduct the interview and that the aim of the study was to hear how they conducted crisis management. In order to ensure that the participants were working from the same frame of reference as the study, each participant was given the definitions of crisis and crisis management provided in this study, prior to the start of the interview process. Upon completion of the interview, each participant was queried as to whether or not they would be available for any follow-up questions or to serve as an organization for further study. All agreed that they would be available for follow-up questions by telephone. Companies A, B, and C also made themselves available for the ethnographic portion of the study, however, due to the pace of operations and the legality of having an outsider within the organizations, Companies C and D could not be used.

With the participant's permission, the interviews were tape-recorded then transcribed<sup>2</sup> in order to analyze their content. Marshall and Rossman (1995) note that one of the best ways to examine documents is through the use of content analysis. For public relations professionals, content analysis is most often used as a quantitative measure to determine amounts and types of media coverage for an organization and the placement of its messages (Broom & Dozier, 1990). However, Marshall and Rossman write that, "Qualitative data analysis is a search for general statements about relationships among categories of data; it builds grounded theory" (p. 111). Once the

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<sup>2</sup>All transcripts have been fictionalized in order to protect the identity of the participants as well as their organizations. Transcripts are attached as Appendices.

transcripts had been analyzed and “general statements” had been drawn from participants on how they conduct crisis management, a common thread showing the importance of internal communication was identified.

Having identified internal communications as an area for further study, the next step in the research was to conduct an ethnographic study within one of the three organizations open to the study. The organization that was studied, Company A, was selected based on its general statements about internal communications as it applies to crisis management, as well as its unlimited accessibility, which is instrumental in an ethnographic study. In an effort to minimize any possible disruption to Company A, yet allow for an adequate amount of time to conduct the study, a period of three days was agreed upon.

Based on the framework established by Schwartzman (1993) and a desire to triangulate the methods employed, a basic design for the ethnographic portion of study was determined. The methods employed consisted of participant observation, in-depth interviews, attendance at meetings, and a focus group. The participant observation, in-depth interviews and meeting attendance produced extensive field notes which are not included, in order to protect the identities of the individuals. However, the fictionalized transcript from the focus group is attached as Appendix F.

Schwartzman (1993) writes, “Stepping into a setting for the first time is probably the most significant phase of the entire ethnographic process. ... first encounters provide researchers with a rich source of data” (p. 48). However, part of the initial impression or connection that is made between researcher and participant is formed by the role that the researcher brings into the study as well as the role of the researcher as perceived by the participant. Schwartzman notes that researchers, “... have been seen as evaluators, consultants, federal investigators, spies from other companies or agencies, and journalists” (p. 49).

In my role as a researcher, I went into the situation as a public relations professional who was willing to assist the public relations department in any way possible, in addition to accomplishing my research. From the public relations director's point of view, however, I was considered to be a consultant to Company A.

After an initial tour of Company A by the public relations director, I was introduced to each available member of the 14-person public relations department. As a part of that introduction, each individual was informed of my background as an Air Force officer and as a graduate student at the University of South Florida conducting research for a master's thesis. This same introduction pattern was repeated, as necessary, for all in-depth interviews and for the focus group. A description of how each method was used follows.

#### *Participant observation*

Marshall and Rossman (1995) write that participant observation, "... allows the researcher to hear, see, and begin to experience reality as the participants do" (p. 79). In addition to participant observation activities within the public relations department, Company A's cafeteria and combined main entrance and lobby were used to observe interaction between and among employees, as well as their appearance.

#### *In-depth interviews*

Semi-structured, in-depth interviews were conducted with nine of the 14 members of the public relations department. The public relations director had previously been interviewed and the other four members were not available due to other commitments. While the exact nature and range of topics of each discussion was unique, all of the interviews covered the participant's perception of communications within Company A and their own department.

#### *Meeting attendance*

Organizational meetings are important tools described by Schwartzman (1993) as, "... central for analysis" (p. 62). In order to analyze meetings, Schwartzman looks at

various aspects of the meeting to include: participants, channels and codes, space and time, and topics and results.

For this study, the researcher attended a manager's meeting conducted by the CEO of Company A. Also, a telephone conference call between various departments of three different companies, to include the senior manager and the director of public relations for Company A, was observed.

#### *Focus group*

Company A has a 17-member communications team that has a representative from each of the company's departments. According to the public relations director, the public relations department brings this team together about once or twice a year for discussions about communications. From this team and based on availability, seven individuals were asked to take part in a focus group on internal communication. Six individuals were able to make it to the focus group, which was conducted over a pizza lunch and video-taped. The fictionalized transcript is at Appendix F.

Broom and Dozier (1990) point out that one of the possible weaknesses of a focus group is that, "one participant will dominate the discussion and impose a particular point of view on more timid participants" (p. 148). In an effort to counteract this, at the start of the focus group each member was given a blank piece of paper and asked to draw or write his or her own depiction of internal communications at Company A. Once everyone had completed, the researcher asked each person to explain what they had drawn or written. This exercise not only served to facilitate discussion, but also allowed each person to have his or her own voice in the focus group.

## Chapter 4

### Results

In addition to determining what an organization needs to do in order to conduct effective crisis management, one of the aims of this study was to determine how public relations professionals were conducting crisis management. Accordingly, the best way to review these results is through the actual voices of the public relations professionals themselves and through their general statements about crisis management. After the results from the in-depth interview section are detailed, the general statements that were developed from the ethnographic portion of the study will follow. The discussion and conclusion chapter is used to explore these results in more detail.

#### *In-depth Interviews*

As a note, each participant had been through a crisis, as defined by the study; either in the organization they currently worked for or with a previous employer. While this finding can't be generalized out to the larger body of public relations professionals, it does add credence to the literature's claim that crises are practically inevitable.

After analyzing the interview transcripts of the public relations professionals, I came up with six general statements or themes relating to crisis management that they seemed to share. These are listed alphabetically: importance of having a plan, industry knowledge is a must, internal communications is key, issues management can make the difference, protecting the company's reputation, and the role of the organization's culture.

#### *Importance of having a plan*

The area was developed through the participants' comments about crisis management plans and their importance in conducting effective crisis management.

Each organization had at least one crisis management plan, varying in degree from extremely detailed to a skeleton. The plan they all had in common was a hurricane plan. This isn't too surprising, due to the location of the organizations and the very real threat of a hurricane hitting the Tampa Bay area. These companies only have to look to the destruction left by Hurricane Andrew a few years ago in South Florida or, more recently, the near-miss of Hurricane Georges this past summer to feel extremely vulnerable to this type of crisis.

However, only Companies C and D had several existing crisis management plans. The three other companies basically relied on past experiences and the situation at-hand to determine a plan of action for each crisis as it developed. This variance is apparent in the contrasting views taken by two of the companies:

Stated Company C:

When ... you have to be the principle media contact, the first line of offense and the first line of defense for a large corporation of this type and its many subsidiaries, you have to be thinking potential crisis for every subsidiary and for every business, every day, every minute of the day. What I have done is develop broad crisis communications, emergency response plans for each of the major businesses based on the kinds of emergencies that I first analyze.

Company E's remarks countered this:

I think you do need a skeletal plan in place but I don't really -- I've seen too many offices, in fact I was part of one before I came here, where we spent too much time trying to identify every possible thing that could happen that was bad. And developing these very elaborate plans. ... And so, we would map out all of these scenarios and then we'd end up never using them, so you can spin your wheels a lot doing that kind of thing, too.

In any case, all the participants agreed with the literature that regardless of the actual composition of a crisis management plan, a plan was useful. In an effort to rationalize why their organizations did go through a crisis, most of the participants claimed the crises they went through were totally unexpected or would never happen

again. Company B said, "It was nothing that we could have planned for ... completely unpredictable events," and even the detailed crisis management plans outlined by Company C didn't keep it immune -- the demand for its service were at levels that it had not anticipated for four or five more years and simply could not be met. Company E stated, "I don't know that we would ever, in one hundred years, go through that situation again." Company A remarked, "We didn't really go through a formal evaluation of the plan ... because hopefully it's not going to happen again."

*Industry Knowledge is a Must*

This area was developed through the participants' discussions about the role that industry knowledge played in both crisis management and also in establishing credibility with the media and within their organizations. According to the majority of the participants, it would appear that in order for a public relations professional to conduct effective crisis management, they must have an exceptional grasp of how the company and the industry that they are part of operates.

Company C explained the benefits of two years spent studying all the business plans and operations of the various businesses:

... when you have knowledge, you have power ... But it's much more -- my credibility is much higher than other utility communicators because unlike many of them when they get a question they may have to call somebody and get the answer and then call the media back. I would say that ninety-five percent of the time, I know the answer.

Company A remarked that it was important to understand the technology in order to be able to "spot trends" and understand how new products affect your company. Company D's public affairs department consists of people who predominately came up through the company in other departments, before landing in public affairs.

I think that's the best thing we have going in public affairs right now, you know, it's because our team comes off the ground as communications professionals and not public affairs professionals. I don't think I'd have the credibility and my team wouldn't either.



*Internal Communications is Key*

According to most of the participants, effective internal communications is key to crisis management. Only Company B made no mention of internal communications, referencing only a speaker's bureau made up of employees that was used to disburse information into local communities about a crisis.

These statements typify the importance that the participants placed on having an effective internal communication program before and during a crisis.

Company D explained his company's approach to internal communications: "Employees learn first, media learns concurrently," while Company B noted that during a crisis, "... everyone is instructed to provide or feed information to us so that we can feed it out to those areas that need it. ... we sent out messages to all of our offices." Company A remarked that...internal communications was like probably primary, because if the employees were un-motivated then that was going to affect everything." Company E reinforced these positions, "Frankly, I think one of the things that many crisis situations often don't take into account is your internal communications. That's really, really, really important ..."

During my discussions with the participants, the issue of internal communications became salient to me. Company D stressed the need to properly manage the internal communication tool of electronic communication, "... because like any communication vehicle, if you misuse it or overuse it, you waste it, people walk away." At the other end of this carefully managed tool was Company A's philosophy to electronic internal communications which was to basically put everything out to the company in electronic format.

Company A's discussion on internal communications turned towards the different internal communications vehicles of the company, the predominate use of an Intranet site and e-mail, and the feedback tools used by the company. Her focus directed to manufacturing:

The thing that always concerns us is that the manufacturing employees, they don't all sit at a terminal. ... It's like a sieve over there, you pass something out and just like everybody gets the -- if you want to know anything that's going on in the company you go over there first, because they have a very good informal grapevine with passing news around. So, my fears have always been, "No they don't have access to this stuff," but they get it. Their managers are really good about printing off what is important, passing it around and getting the word out.

One of the most intriguing aspects of our discussion was her continued reference to an employee grapevine, that was used as a feedback device for communications. She explained about a labor union crisis management drill that had been conducted years ago and the various messages directed towards the employees.

"... Probably, some of those messages we changed midway through ... based on the tone of what we were sensing from the employees. You know, if we saw the tide turning. It was sort of like a political campaign."

When I asked her how she knew the "tide was turning" she replied:

It's the grapevine, the employee grapevine. On the manufacturing floor, you know, talking to people. You know, they pass things around, they tell their HR (human resources) people things, they tell their managers things. Basically, that was it ... definitely word of mouth.

### *Issues Management can make the Difference*

As previously stated, in order to conduct issues management an organization should attempt to identify all or most of the possible crises that could impact on the organization; outline actions to prevent or minimize an issue before it can become a crisis; and establish at what point a crisis is occurring. Each organization practiced some form of issues management; however, much like the attention given to crisis management plans, the amount and depth of issues management that the participants were engaging in varied widely. Company A kept pace with industry issues by, " ... talking to editors, reading the trade press, that sort of thing. ... sensing the morale of the people and where the employees fit." Company B stated that they put all of the company's managers through media training annually and when an issue arises, " ... a lot

of what we do is ... is gathering information and getting information out to our offices in a very timely manner.” Company E reads trade magazines to keep abreast with issues as well as maintains close working relationships with company officials, “... it’s kind of a personal network of people who know that if something’s like that is happening ... I need to know.”

The two largest companies, C and D, had fairly extensive issues management systems in-place. Company C developed, “ ... issues management papers for the different subsidiaries,” by examining their business plans and forecasting “ ... what possible problems they might come into contact with based on what they are doing.”

The most complex issues management system existed in Company D. Part of the reason for this can be attributed to the fact that the overall responsibility for issues management within Company D rested within the public affairs department. The department looks as far as one year out and tracks a multitude of issues on a timeline to see what’s hitting where and when and to ensure that everyone within the organization is on the same page, “A rate increase, could be a tax issue, it could be a real property issue. And, I know it’s coming,” stated Company D.

However, the public affairs department does not operate in a vacuum as the entire company is involved in the issues management process. This is evidenced by a weekly meeting that is used to discuss upcoming issues and strategic planning, as well as to discuss the complaints received by the company. When discussing the complaints received, each responsible vice president or manager has to explain not only how his or her department answered the complaint, but more importantly, explain how they fixed the entire process that lead to the complaint. For example, rather than just explain how they fixed John Doe’s problem, they must also address what happened within the company that lead to the problem and the actions that have been taken to alleviate the situation from happening again.

Company D explained:

... every Thursday morning, the owners, the GMs, the VPs, who are really accountable for all this or should be accountable, have to be in the same room together for about two hours. ... And, the whole purpose, you know, for the root-cause type people is if you remove the problem out of that and fix the process, it will never happen again.

In short, both Companies C and D realize and place emphasis on the importance of fixing the issues before they can ever become a crisis, the primary goal of issues management, and its important role as a component of successful crisis management.

*Protecting the Company's Reputation*

This general statement was built from the major concern expressed by the participants that protecting and maintaining the company's reputation or trust that it had established with its various stakeholders before, during or after a crisis was vital. While most of the participants spoke extensively on the issue, the one exception was Company A, who made only a fleeting remark about this concept when discussing coverage in the trade press, "... to ensure that Company A's good name is out there." However, Company A is a private company that has only been in existence for a few years, while each of the other organizations has been in business for decades.

Defined by Cutlip, Center & Broom (1985), "Public relations is the management function that establishes and maintains mutually beneficial relationships between an organization and publics on whom its success or failure depends" (p. 4). A large part of establishing and maintaining those relationships is trust, which was echoed by the participants.

When explaining how she drafts position statements for crisis communications, Company B said:

I think the thing we always -- when we are sitting there drafting them is, is it truthful, is it reliable, is it going to uphold our main -- see we consider trust very, very important here. People trust Company B and it has taken many, many years to build up that trust in our organization.

Company E had the same concern when looking at an issue, "... I'm interested in looking at how the public is going to perceive something. So, what's this going to do to the image, reputation, perception of Company E." Company D added that trust is one of the two most important aspects to crisis management, "... you know, public trust is important. We are so linked with this community. Our employees live on every corner."

#### *Role of the Organization's Culture*

Based on the statements of the participants, the culture that the company operates under and how their departments are allowed to operate is dependent upon the organizational culture of the organization. This culture dictates, among other things, the role of the public relations department and how crisis management is conducted.

When discussing how he had been given so much power in Company C, he explained that a previous Chairman of the Board had given it to his department and him specifically, "he asked and demanded that all the senior officers of all the companies open their doors to me or my back-ups, but me especially if I ever need them on a breaking news story or a certain problem."

Company B described the organizational culture this way, "We have, around here, we have a way of life and that is providing unsurpassed service to our customers. Everything we do we need to provide unsurpassed service ..." Company D attributed the company's proactive crisis management approach to the organizational culture, "And, the key was that our company valued life and limb over the budget because I think a lot of people would have gotten a balance sheet out at that point. ... we have a crisis mentality everyday."

At times, the organizational culture and structure of Company A caused problems for the public relations department, since the public relations department is located in a separate building from most of the company, to include upper management. Company A explained, "... I mean, it's such a flat organization and things kind of happen in the hall and whatever, and we're not real formal sometimes." Company E also faced challenges

with the organizational culture and explained how he attempted to counter them, "... we're very decentralized ... so, I meet with those people (individuals in other parts of the organization) on a regular basis in order to make sure that they know what we're trying to do centrally."

### *Ethnographic Study*

Having completed the in-depth interview portion of the study, the next step was to conduct the ethnographic portion. In order to document the findings of the ethnographic study, the following results are grouped under the method used for data collection. The methods, along with their respective results, are listed alphabetically.

#### *Focus Group*

The focus group with employees on the communications team for Company A was conducted around the central theme of internal communications. The resulting discussion by and among the participants produced five general statements about the topic. The general statements are: Culture change, electronic communications overload and access problems, filtered communications, one-way communications, and us versus them.

*Culture change.* The five participants that had been with Company A longer than two years, only one participant had been there less than that time, all noticed a marked difference in the organizational culture. The difference in some cases was viewed as a positive change when it related to more forthright communication, while in other instances the change was viewed as a hindrance.

From a positive perspective, Male #2 remarked that he really noticed a change in communication techniques:

... there was one thing we had in the old days, where they would blast music and they had all these speakers, a big presentation and people were just blah, blah, blah ... they had all this hoopla, but no one really felt it. Then they had a simple meeting with the new management where they

just sat and spoke from the heart ... and I think that's the difference that they were more sincere.

Female #3 also noted that there has been a vast improvement in internal communications from the previous corporate culture. However, she was also quick to point out, that due to a new flat organization, it was harder to pinpoint, "... who's doing what anymore." Female #1 and Male #1 agreed with her and Female #1 added that Company A does not, "... publish org(anizational) charts anymore."

Another perceived negative aspect to the organizational culture was that the new management did not get out and walk around Company A. Female #1 said, "... our group misses, uhm ... the old management used to like to, walk around there and socialize with our people ... new management doesn't."

*Electronic communication access and overload problems.* Company A's internal communications programs are predominately in an electronic format in the forms of an expansive Intranet site and as e-mail. The participants acknowledged the difficult challenges of providing access to the electronic information to all the employees of Company A and coping with their own information overload. As Female #2 remarked, "Because everything, and I don't mean a little, a lot of communications here ... there is no paper ... everything is listed on the company Intranet site."

For the individuals in the manufacturing department, the reliance on electronic information creates an access challenge. Female #1 said, and Male #1 agreed with her, that the Intranet site may work well for Company A's office workers, but "It's harder in our department (manufacturing), because not everybody has access to the Intranet." Male #2 added, "... making it (communications) accessible, that's where I see the problem."

While all of the focus group participants had access to the information, they suffered from a different problem -- information overload. Male #1 stated, "... we don't even have enough time to sit there and look through everything there is on the Intranet

site ...” Female #3 complained that there is too much information on the Intranet site and “... while you can look for it, sometimes it’s hard to find.”

Female #2 remarked that she has to spend “three hours at least, answering e-mails and stuff, ... I get an e-mail about every ten minutes.” The others agreed that there is an overabundance of and at times over-reliance on e-mail within Company A.

*Filtered communication.* Despite the fact that the participants perceived the information flow and communication culture of Company A as being more open, they still admitted that there is a definite filtering of information from top management down to the workers. Some of the participants did not understand or were frustrated by the filter, while others tried to rationalize it.

One of the frustrated participants was Male #1 who remarked that when you ask a question of top management you often get an answer that does not really address the question or it takes so long to get an answer that you already know it:

... we can’t tell you that, it’s proprietary or, you know, we can’t disclose that period. ... it’s only when they deem it necessary that they tell and most of the things they tell you, you already picked it up via the grapevine anyway, I mean so why waste your time.

The participants also joked that Female #1, in her position as a vice president’s secretary served as a communication filter within her department. Female #3 said, “She’s privy to everything and knows what is going to happen” and Female #2 added, “She knows, but she can’t say it.”

Male #2 was the strongest advocate for the presence of a communications filter, explaining it as the chairman of the board’s need to know policy and depicting it in his drawing of internal communications.

I drew this filter in the middle (between people on the right and upper management on the left) ... it’s good to share and be open, but let’s do it ... as people need to know ... not just as we have where we communicate everything to everyone because it’s good for everyone to know everything. ... There are no details shared ... and that’s



understandable, I mean even to the managers, they talk but they don't give it to us in writing.

Male #1 remarked that he had to act as a filter for his employees because of their inability to access electronic communications and Female #1 admitted to her bosses role as a filter, "... sometimes he'll share like, uhm, if they've had a business review meeting, he'll share some of the info."

*One-way communication.* Before the participants had even formally gone around the room and discussed the depictions they had made about internal communications in Company A, the issue of one-way communications was brought up by Male #1. Because of this communications model, the participants also brought to light and discussed the subsequent lack of a feedback vehicle for most employees. Based on the comments made by the participants, the communication flow of the company can be generalized as one-way.

Male #1 explained, while discussing his depiction of internal communications, that internal communications were one-way, "basically, top down ... it's not ... two-way.. We share information with them (employees) via the Intranet, but that's just one-way communication."

Female #4 reinforced this view:

I like the Intranet site and I think we do a wonderful job of communicating on down, and I think that for those of us who are in positions where we have access to people who know a lot ... it's just very open communication ... but for a lot of people who are not in that position, there really is not a ... feedback loop for them.

Female #1 referred to an informal feedback loop that resulted in quarterly meetings being conducted by the vice president of her department because, "... the people felt that they weren't being communicated to." But, Male #1 explained his view of these meetings, "... the whole place is dead. Because most of the things that he's going to talk about, it's already been shared with them (employees)."

Female #3 also addressed the issue of one-way communications, but her main concern centered around her perception that, "... interdepartmental communications are practically non-existent." The others agreed with her view and began to look at reasons for this, mainly focusing on the organizational culture of Company A.

*Us versus them.* This general statement or theme came from the participants comments about the employees in the manufacturing department. They consistently referred to the employees in manufacturing in a way that seemed to separate that group from the rest of the company, as well as management. These inferences appeared to create a strong division between manufacturing and the other departments and in the process, gave the appearance that the company's employees were at odds with one another.

In discussing the problem of access to information, Male #1 detailed the time constraints placed on manufacturing and referenced the pressure this put on the employees, "... they don't really have the luxury that we all share in the offices." In addition to the time constraints, for the 300 employees in manufacturing there are only three computer terminals to view information. Recognizing that there is an access problem, everyone in the focus group was ready to fix the problem for the manufacturing employees.

Female #3 questioned why there wasn't a computer terminal in the break room and Female #2 explained, "I was told the location where they would be put." Female #1 remarked that during break time, "...they'll go out and have their cigarette ... they would much ... prefer to hear it rather than to sit and read it." Male #1 stated, "... you have to take into consideration, the ... education level of the group. ... It's a different category ... of people."

Male #2 summed up this general statement best:

When you have a department that doesn't have the information ... it creates a division between those who don't and those who know what's

going on. So if somehow we can solve the problem of making it more regular for them ... it's okay for me to read this for five minutes ... that goes a long way in helping eliminate the us versus them."

### *In-depth Interviews*

Based on the in-depth interviews with the majority of members of the public relations department, I developed the following general statements which are listed alphabetically: Cubicle challenges, internal communications, and organizational culture change.

*Cubicle challenges.* Like the rest of Company A, the public relations department was divided by cubicles that served to separate work spaces. However the cubicles, unlike offices with walls and doors, offered little, if any, privacy.

The lack of privacy quickly became apparent as you could easily hear the activities of the other members of the department without exerting any effort. "You get used to listening to others ... I know they can hear me and it doesn't bother me," stated one member of the department. Another member noted, "I communicate mainly by listening since I'm right in the center." While the general tone of the department was that the lack of privacy wasn't an issue because the public relations department was a team, two members with experience in the main building noted that this was not the case there.

One remarked that "In the main building, there was always a lot of eavesdropping going on and communication flowed differently than here." The other added that the lack of privacy in the main building was affecting her work, "I couldn't think in the other department, since I was sandwiched between two call centers."

The size of an individual's cubicle related to his or her position within the company and this was evident in the public relations department as well, however, there was one exception where a fairly junior member of the office had a larger workspace.

I'm really lucky, because this is a two-person cubicle, especially considering the totem pole for cubes. It's because I have these two

computers and two printers for different types of products. I know there are other people in the other building that bitch, bitch, bitch about their cubes.

Another challenge with the cubicles is that, coupled with an internal communications program centered around electronic formats, they seemed to inhibit movement. As one member noted, "I kind of stick to this area. Besides, it's a labyrinth over in the other building with all the cubicles."

*Internal communications.* Based on the participants' remarks electronic communications were the predominate internal communications vehicle used by Company A. But, the reliance on electronic communications overwhelmed some members of the department. Further, some members of the department were very aware of an employee grapevine that was used for internal communications among employees. Finally, the use of electronic communications created challenges in its own right, to include confusion as to whether or not a company document is in draft or final format.

As noted by the members of the public relations department, electronic communications is central to the company's internal communications program. Typical statements made by the respondents can be summarized by the statements of two of the participants. One member noted that, "... the Intranet site is the main employee communication vehicle," while another remarked that, "... e-mail is the main communications tool for the company."

Whether the internal communications vehicle is the Intranet site or e-mail, communication overload appears to be the norm according to several members of the department. One member stated, "This company abuses e-mail. It takes me over an hour to update and review those messages, plus you get voice-mail messages -- and that's if you're not getting interrupted. The majority of these messages are from within the company."

Another member added:

I get 75 to 200 e-mails daily and I spend anywhere from 45 minutes to two hours on it ... depending on the responses needed. ... I can cut that time down by checking my e-mail around 11 p.m. each night from home. Quite often, I do that.

As far as the Intranet site, another member of the department noted that she spends about three hours a day "reading about our products" between the company's Internet and Intranet sites.

When discussing internal communications with one of the department's members, the member remarked that a friend in the main building gets more information than her, "She gets more information than I do and I work in this department! She knew our parking lot would be closed today and I didn't find out until I drove in." I ask her where her friend gets all of her information and she replied that it's through the "grapevine." Her friend came by later and I asked her where she gets all her information and she replied that it was through "hallway communication." She explained, "I have to walk around a lot because of my job and people always tell me things in the hallway. It's a daily occurrence. There is a definite grapevine in our building and that's how I find things out."

Another member talked about the grapevine and had some insight as to why it occurred, "There is this old-Company A mentality that knowledge is power in the other building and you only get a little information at a time. As a result, you get information through this grapevine of employees." Having said that, however, she was quick to counter with her vision of the public relations department's role, "In this department, we're the trellis with the new vintage of grapes. We put out the correct information and updates."

Another problem that the overabundance of electronic information and communication vehicles is causing appears to be confusion on the part of the company's employees themselves. A member of the public relations department explains, "Like, people in the company don't know the difference between the Intranet site and our

Internet site. ... People are just ignorant of the different communication devices we have.”

One of the largest sources of confusion with the electronic communications though, comes from trying to determine whether or not a document or product being routed through the company is in draft or final copy format. As one member stated about the frustration and confusion that this dilemma causes:

I never know whether it's a draft-final, final-final, or final-final-final. They go through so many hands and you have to rely on others for data, so you get something done ... you think ... then the next day another version comes in with a change. It's crazy.

Another member added that, “One of the problems with e-mail is that you're never quite sure about the information you're receiving. ... I have to wonder whether this is a draft-final or the final-final version.” One member of the department had the same problem, but had also come up with a solution, “I do have a problem determining what is the final version of a product that we can put on our web pages. So now, I wait until it's printed somewhere, like a trade magazine.”

*Organizational culture change.* Of the nine participants interviewed, three had been with the company one year or less and as a result they had little to say about the culture change that was taking place in Company A. However, the other employees made mention of the change in the organization and the impact that it was having on employees.

One of the earliest introductions I had to this changing culture came from a discussion with one of the members on how the new CEO operates and is going to conduct his latest employee function:

Our new CEO is really laid back. He gets the employees together each quarter to have a lot of fun. For the first time we're going to serve beer. ... Anyway, there's a lot of concern going around about the beer ... there's an unwritten rule of a two beer limit. I'm sure the CEO will bring it up at the manager's meeting, he's very impromptu and off-the-cuff.

Another member talked about the communication problems associated with the new culture:

It's like people select the information that they think you should have ... not maliciously, but you get information with holes in it. You'd think with e-mail it should be easier to communicate, but it's not. Actually, lack of communication is the norm.

Throughout the interviews, phrases such as "in our parent company days," "Old-Company A," and "Old Guard" were peppered throughout by the participants. Describing one particular situation involving two conference rooms and some tables, one participant noted, "What a battle! it was like having to change the company's way of thinking and the 'old parent company blood.'"

Another individual noted the constant state of change that Company A has been in:

We had the whole transition from our parent company, then the sale of our company several months later to form our present Company A. Downsizing and layoffs accompanied those changes and functions and departments that used to stand on their own, now had to report to others.

Yet another member welcomed the change, "The company has changed a lot since our parent company days ... we're not so stuffy. We're like a garage company now accounting for every penny and it's much more casual -- I like it."

#### *Meeting Attendance*

From my observations of the meetings that I sat in on, I was able to draw a general statement for each meeting. The first meeting's general statement is conflicting styles, while the second meeting's general statement is casual, yet confusing. Because these general statements were drawn from my own observation, more of a narrative style will be used to explain the results.

*Conflicting styles.* The first meeting I sat in on was a conference call. I sat in a conference room with the senior manager of public relations and the director of public relations as they conversed via speaker phone with three other companies and numerous

offices within those companies about an upcoming press conference. What became apparent was a difference in style and an internal communications glitch.

The director of public relations mainly listened to the discussion, interjecting only to clarify points or when questioned, eating her lunch and reading through papers. On the other hand, the senior manager jumped into the conversation every chance she could, despite being quieted by the director on a couple occasions. On two different occasions, the senior manager attempted to join the conference call discussion, but began talking about entirely different subjects.

When the senior manager began to discuss the progress of the questions and answers that had been prepared for the press conference with the other companies, a member of Company A's product department interrupted her to question why she hadn't seen those yet. The senior manager replied that she will e-mail them, but there was a definite friction in the exchange.

As the conference call wound down to an end, the senior manager demanded to know when all the documents would be ready for the press conference so that Company A could get the press kits finished for a trade show early the next week. She began to needle the person responsible for the documents from another company:

Do you have an ETA (estimated time of arrival) on the documents? What time will we get them? We need them today. We're not going to get them today? How are we supposed to get the press kits finished? When will we get them then?

The exchange left an uncomfortable silence on the speaker phone. Finally, the person who organized the call made a last call for topics and ended the conference call.

Afterwards, I asked the director of public relations about the friction I sensed during the meeting. She replied, "You're dead-on about the friction. The lady in the other department owns the product we're releasing and rightfully believes that she should see everything about it. She hasn't seen everything on it and we need to correct that."



*Casual, yet confused.* The second meeting I attended was a Company A manager's meeting that was held in the cafeteria. The two large screen televisions located in the cafeteria were used to display the PowerPoint presentation that the CEO gave. The CEO was dressed in jeans, company polo shirt, and tennis shoes. He stood in front of everyone, near a monitor so he could see his slides.

The managers were loosely assembled, there was no seating arrangement, and the whole environment was very casual. The meeting began a few minutes after 1 p.m. and several managers continued to arrive late.

The CEO began by re-capping the fourth quarter and 1998 results. No one took notes and there was plenty of encouragement from the CEO and clapping on the great job everyone had done. After he finished, a woman from the company's new travel service stood up and talked about the new travel service the company would use and introduced the travel company team. No one in the audience seemed to care. People sat and talked, no one took notes and even the CEO passed notes back and forth with his director of public relations.

The CEO then gave a presentation about the company going public; in essence, how the company would be presented eventually to investment analysts and the areas that needed to be worked on. He tempered his presentation that the company is not ready to go public. "Just keep to knitting and keep your heads down ... we need to cool the waters about going public," he remarked.

However, when he was done, the head of the sales department got up and presented a mock-video of the company being highlighted by NASDAQ after going public and the remarkable success that it had enjoyed. Everyone clapped and the CEO just shook his head, seemingly at the confusing signals the company had just sent out. This same video had been shown at Company A's 1999 Sales Kick-off meeting. Once the video was completed the meeting was adjourned.

*Participant observation*

Like the meeting attendance results, the participant observation results will be given in more of a narrative format. The general statement derived from the participant observation method is casual, cubicles, and quiet.

*Casual, cubicles, and quiet.* Arriving early at Company A on my first day, I used the time to sit in the lobby and observe the employees as they came to work. People were of various ethnic backgrounds and all of them were dressed casually -- some in jeans, some in slacks, and a few women wore skirts -- men's and women's business suits were noticeably absent. Each of the three days I was in Company A, employees were dressed casually and that is the company norm according to the director of public relations.

Company A occupied two buildings that shared a parking lot. Most of the company was in the main building, to include manufacturing, research and development, and management. Only public relations, sales, and a training staff were located in the other building. There were no reserved parking spaces for members of upper management like the CEO or the chairman of the board in the parking lot, everyone had to fend for themselves when it came to parking.

As for the individual departments, aside from manufacturing, they were all filled with cubicles. This gave the appearance that there were very few people at Company A despite having over 900 employees. Most of the employees seemed to keep to their cubicles and as a result there was very little movement within departments and between cubicles.

The public relations department was no different. It was also made up of cubicles and there was very little movement between the employees. Also, it was very quiet. The phones all had muted rings and no music was played. The most noticeable noise came from the constant hum of a humidifier located in the department and the background chatter noise of people on their phones. One noticeable difference between the public

relations department and Company A was a lack of ethnic diversity. All the employees were Caucasian.

Company A had a subsidized cafeteria for employees and for meetings that featured two large screen televisions broadcasting CNN. People drifted in and out, taking food and drinks with them, but kept mostly to themselves or the groups that they came in with. The cafeteria was busiest at lunch and during the manufacturing department's break times. In addition, the cafeteria was also used as a place for visitors to meet with employees of the company. Because of the casual dress code of Company A, visitors were very easy to recognize in their business attire.

Members of the public relations department did get food from the cafeteria, which was located across the parking lot from them in the main building, however, they always brought the food back to their own department to eat it. Aside from an office luncheon one day, most everyone ate lunch in their cubicles.

## Chapter 5

### Discussion and Conclusions

#### *Discussion and Review of the Study's Findings*

A focus of the research for this thesis was to further the theory development of crisis management in general, by outlining the actions that an organization needs to take in order to be prepared to prevent or manage a crisis. More importantly though, the specific purpose of this thesis was to determine how public relations professionals actually conduct crisis management, since this body of knowledge appeared to be absent from the literature reviewed. Further, based on the general statements made by the public relations professionals about crisis management, this study concentrated on the area of internal communications and the impact that it has on the ability to conduct effective crisis management through an ethnographic study at Company A.

Throughout the process of conducting the research for this thesis, particularly the ethnographic portion, I was afforded the opportunity to discover and expose through the form of this thesis, backstage behaviors of the participants. Meyrowitz (1985) building on the works of Erving Goffman and Marshall McLuhan explains that individuals display or downplay various aspects of their personalities, depending on the situation and the audience that they are addressing. In essence, people have onstage or backstage behaviors that are at times, very different from one another. Meyrowitz goes on to explain that electronic media, especially television, has blurred the lines between these roles, because of its ability to show individuals in various settings and character, without regard to the audience that is watching. By observing individuals in their work environments and relaying their words and actions from that setting, I am also providing

a backstage look at the participants -- exactly the type of information that qualitative research is after.

In completing this study, my aim was to further both public relations and crisis management theory, while also providing both practitioners and scholars with insight into the actual ways that public relations professionals are conducting crisis management in organizations on a daily basis.

### *Organizational Actions for Crisis Management*

The reviewed literature emphasized that without regard to the size or the scope of an organization, crises are seemingly inevitable. Therefore, every organization should have a fairly thorough plan for and practice effective crisis management. In order to be considered effective crisis management, the organization's plans should address the four stages of crisis management and the necessary actions at each stage. Briefly, those are as follows:

At the issues management stage the organization should attempt to identify all or most of the possible crises that could impact on the organization; outline actions to prevent or minimize an issue before it can become a crisis; and establish at what point a crisis is occurring.

In the preparing for a crisis stage, the organization should address the make-up of the crisis management team and the procedures necessary to assemble it in an equipped crisis response center; identify various publics that will need to be addressed; develop organizational messages, themes and questions and answers; and examine and try to determine the scope and possible impact of the crisis.

Once the prevention phase of the crisis has passed and the actual crisis is upon the organization, the actions to be taken should center around communicating the organization's response in an effort to limit the impact or length of the actual crisis.

Finally, once the crisis has passed, the organization should outline actions necessary to continue to monitor the situation and the publics involved through continued

long-term two-way symmetrical communication; establish a system to keep the media informed of the organization's action; and examine the crisis management plan, if available, and the organization's performance in order to incorporate any necessary changes.

#### *How Public Relations Professionals Conduct Crisis Management*

The specific purpose of this thesis was to determine how public relations professionals actually conduct crisis management, since this body of knowledge appeared to be absent from the literature reviewed. Based on the interview transcripts of the participants, six general statements about crisis management were developed. The general statements along with a discussion of each follow in alphabetical order.

##### *Importance of having a plan.*

While the reviewed literature provided no single blueprint for an organization's crisis management plan, what was consistent was the call for an organization to have a plan and prepare for crises. As noted by Mitroff et al. (1996), "... we cannot emphasize too strongly the importance of advance preparation" (p. 6). However, the reviewed literature also indicated that organizations did not have crisis management plans nor did they practice crisis management. To the credit of the public relations professionals in this study, all of the organizations did have some form of crisis management plan. But, the overall effectiveness of a few of those plans could be labeled questionable at best, based on the remarks of the participants.

According to the reviewed literature, one of the key elements of a crisis management plan is to attempt to identify all of the possible crises that could impact on an organization, in order for an organization to prevent or minimize the impact of those crises. Yet, a majority of the organizations made no attempt to do this and instead relied upon past experiences.

This failure on the part of most of the public relations professionals may have ultimately lead to three of the organizations' crisis. Further, those same participants

rationalized that the crisis they encountered was an event they never could have planned for or that would never happen again. It is precisely this type of attitude by individuals within an organization that lead Mitroff and Pauchant (1990) to label an organization as crisis prone.

*Industry knowledge is a must.*

Having a solid grasp of the industry that they work in appears to have a two-fold impact for public relations professionals. First, industry knowledge was vital to crisis management. Industry knowledge allows practitioners to spot trends and also identify potential issues for their organizations. But perhaps more importantly, industry knowledge gives the public relations function credibility within their organizations and with the media.

Dozier et al. (1995) acknowledge this as well, "The advantages of knowing the business include greater understanding of the challenges and opportunities facing your organization. This translates into greater credibility with senior managers, who expect all top-level people in the organization to understand the business" (p. 65). The results of this study also confirmed this.

*Internal communications is key.*

The most surprising finding to me was the importance that these participants placed on internal communications. Throughout most of the reviewed crisis management literature, little reference is made to internal communications. It is alluded to in the general form of establishing and maintaining communications with stakeholders and publics before, during and after a crisis, however, internal communications is rarely mentioned directly. Then, when it is mentioned, it is normally at the crisis stage or just prior to that. For example, Lerbinger (1997) notes the importance of communicating with key publics such as employees during a crisis, while Gonzalez-Herrero and Pratt (1995) write that at the planning-prevention phase, the company, "educates its internal audience on the crisis procedures that will be followed ..." (p. 23).

Nearly all of the participants stressed and agreed with the importance of letting their employees know what was going on during a crisis, but going a step further, two of the companies emphasized the importance of always having an effective internal communications program. However, their approaches to this goal were as different as night and day. While Company D explained the need for a carefully managed program that included research, Company A basically put everything out in an electronic format, despite a large portion of the organization not having access to the information, and in many cases relied upon an employee grapevine for information dissemination.

According to Millar and Irvine's (1998) research on media coverage of crises, "In the end, it will be government officials and employees who are quoted most often and most extensively when a crisis occurs" (p. 16). Because of this fact, Millar and Irvine point out the importance of an effective employee communications program, "If they are kept informed, they are likely to support the organization in its time of crisis, because it is their organization, their livelihood, their corporate family" (p. 16). With this in mind, Company D should be in a good position should a crisis arise, the same cannot be said for Company A.

In the interviews with practitioners, no mention of two-way symmetrical communication was made; in reference to crisis management or internal communications. Company D came the closest with some discussion about research, however, the research the company conducted on employees and publics was used to promote the company's position. In short, more of a two-way asymmetrical view.

Based on this finding and previous doubts about the feasibility of practicing a true two-way symmetrical model, such as Cancel, Cameron, and Mitrook (1996) and the mixed-motive model prescribed by Dozier et al. (1995), it could lead a practitioner to question the value of the two-way symmetrical model. However, I would argue that the two-way symmetrical model holds immense value as an ideal or standard to attempt to



achieve. While you may never attain the goal of practicing a true two-way symmetrical model, using it should help keep your public relations department headed in the right direction.

*Issues management can make the difference.*

The reviewed literature emphasized the importance of issues management as the first step in the crisis management process and in a show of support for this position, all of the participants practiced some form of issues management. However, only the public affairs department in Company D practiced true issues management for the entire company. Most of the participants conducted issues management by simply reading trade magazines or scanning mass and local media. While Company C did conduct quite extensive issues management, it was only from a public relations perspective, basically in the form of crisis communications. On the other hand, Company D's public affairs department was given the responsibility of issues management for the entire company.

I feel that this can be partially explained through another factor already discussed, industry knowledge. When discussing his issues management work, Company C was quick to point out that he only does the crisis communications portion of the plans, because he was not an "engineer." In Company D, though, several of the workers in the public affairs department came from various specialties within the company. In fact, the head of the public affairs department at Company D was a lawyer who had also worked in various parts of the company and other communications companies before assuming his present position. This gave him and his department the expertise and credibility needed to perform this role as a strategic manager, that the other participants did not and undoubtedly could not have performed, due to their lack of industry knowledge.

This is not to imply that the participants were not experts in their fields, it is just that they did not have the necessary business backgrounds. None of the other participants had worked within the industry, to attain the necessary credibility within their companies to conduct true issues management.

This has been somewhat of an oversight on the part of researchers such as Lauzen (1994) and Sullivan (1995) that have been examining the link between public affairs and issues management. Lauzen (1994) examined how the role of the practitioner, either as a technician or a manager, impacted on the issues management practiced by the public relations office. Sullivan (1995) stressed the boundary spanning capabilities of public relations as vital to and a key reason for the public affairs function to conduct crisis management. Neither though, addresses whether or not the public relations professional has the necessary industry knowledge base to conduct issues management at a strategic level for a corporation. This is in spite of the fact that a survey conducted by Lauzen (1994), found that CEOs felt that public relations practitioners, "often lack a comprehensive understanding of the social, political, and business problems and issues about which they are forced to write and counsel" (p. 357).

*Protecting the company's reputation.*

Not surprising, was the participants' interest in protecting the company's reputation that they worked for, especially given the definition of public relations. In discussing this general statement, the participants also referred to the issue of trust and maintaining the trust and relationships that their companies had built. In this role, the public relations professional seemed to take on a consultant-type role in the company, such as typified by Company E's remarks, "So, what's this going to do to the image, reputation, perception of Company E.

This finding was in line with the reviewed literature which echoed the importance of this role for public relations professionals before and during a crisis. For instance, Coombs (1998) used organizational performance as determined by the existing image of the company as one of the factors to determine how to respond to a crisis. Perhaps though, the most telling case for the importance of this were evidenced by the exemplary actions of Johnson & Johnson during the Tylenol crisis in protecting its image and regaining its market share.

*Role of the organization's culture.*

All of the participants pointed out the impact that organizational culture has on conducting crisis management. Basically, as explained by Morgan (1997), "Organizations are mini-societies that have their own distinctive patterns of culture and sub-culture" (p. 129). Pauchant and Mitroff (1992) identified organizational culture as one of the most important factors in determining whether an organization is crisis prone of crisis prepared. Among other affects, organization culture impacts how communications flow and the importance of communications within an organization.

For three of the organizations, the organizational culture was favorable for conducting crisis management. This can be directly attributed to the commitment to crisis management that starts at the top of these organizations and runs throughout. As Pauchant and Mitroff (1992) write, "Strong commitment to crisis management by top management, preferably by the chief executive officer is essential. Unfortunately, only a few top executives champion these issues ..." (p. 160). This seemed to hold true for this study as two out of the five did not have supportive top management towards crisis management.

Further complicating the crisis management efforts of Company A, which was one of the two companies that lacked top management's support for crisis management, was its organizational structure. While Morgan (1997) and Pauchant and Mitroff (1992) both state that there is not a perfect organizational structure, they both agree that it is imperative for the structure of the organization to fit the environment that it operates in. One of the reasons for this as J. Grunig (1992) explains is that, "Structure channels communication ..." (p. 562). Without a clear organizational structure, internal communications will be a constant source of confusion as is the case in Company A.

Company A's structural problems come from a casual organizational culture that is still being defined due to several recent changes. The impact that this has had on its internal communications can best be described as trying to hit a moving target. In

essence, the company has undergone so much transition in a very limited amount of time, coupled with a laid-back approach of the new CEO that the organization has not really had an opportunity to form an organizational structure or culture of its own. Instead, it relies on a combination of past structures and cultures that appear to create conflict in the internal communications program.

This general statement will be discussed further in the next section along with a discussion on the internal communications program of Company A.

#### *Ethnographic Study on Internal Communications in Company A*

The ethnographic study in Company A provided me with an opportunity to explore the issue of internal communications from both sides of the coin. On the one side, I was able to spend time with the individuals responsible for the internal communications programs in order to get their views on the program as well as their views as to its successes or failures. Also, I was able to spend time with employees of the company, through a focus group, that allowed me the opportunity to get their views on the same subject.

From the focus group discussion five general statements were developed. The general statements along with some discussion and recommendations follow in alphabetical order.

*Culture change.* Overall, the organizational culture of Company A seemed to be in a state of change that was moving towards a more positive outcome than previously had existed in the company. Nearly all of the employees noted improved and more open communications. However, there is still a transition period going on predominately in the management style of the new CEO. This style seems to concentrate more on the selling of the company and its products, rather than having a visible presence in the various departments of the company. As a result, individuals in certain departments do not feel as much a part of the team, particularly in manufacturing. This can and seemingly has resulted in morale as well as communication problems.

The changes the company had gone through, to include downsizing and layoffs, and the resulting flatter organizational structure have left employees unsure of who does what within the company. The impact that this has appeared to have on the Company A is one of confusion. A possible solution for Company A would be to publish an organizational chart that would define positions and functions within the company. This would provide employees with a sense of where they fit within the organization and more importantly, provide them with some insight into the responsibilities of others.

As a result, organizations, such as Company A, that do not make an attempt to help guide their employees and organizations through the change process and provide a clear vision of where the organization is heading, will have a difficult time dealing with a crisis. In essence, the internal confusion will be too much for the company to overcome with the added pressure of a crisis, when it truly needs to act as one.

*Electronic communication access and overload problems.* Shoemaker and Reese (1996) note that, "In 1971 Ralph Smith, author of *The Wired Nation*, coined the term 'electronic highway' to describe information flow" (p. 217). Smith was attempting to describe the new age of electronic communication and his vision of how communication would be changed forever because of it.

While the electronic information explosion has certainly had its benefits, it has also had an enormous drawback -- too much information. And like the analogy that Smith was making to a highway, anyone who has sat in their car not moving for long periods of time on a highway during rush hour traffic can relate to the feeling of helplessness that results. Just imagine the frustration that drivers would feel, if every time they tried to go anywhere they were stuck in rush hour traffic.

When an organization overloads its employees with information, it leaves the employees feeling frustrated and overwhelmed. They are unable to read everything they get, while also completing their jobs. As this situation continues, something eventually will have to give.

When an organization overloads its employees to the point of frustration and confusion, it limits its ability to deal effectively with a crisis. Especially, when you couple this with a one-way model of internal communications and do not realize the problems that your employees are having. As such, a carefully managed internal communications program is required, as seen in Company D, in order to conduct effective crisis management.

Back to that highway analogy, imagine if you could not even get on it if you wanted to because you did not have a vehicle. This is perhaps the biggest dilemma impacting on the internal communications efforts of Company A -- its inability to effectively reach nearly one-third of its employees. By relying on an electronic format for internal communications, the company has ignored 300 employees in its manufacturing department that do not have the time or the means to access this information on a routine basis. The results of this situation are fairly predictable. Without an internal communications source from the company, the employees revert to another source to get information -- in this case, it is the employee grapevine. With the grapevine there is a very high potential of spreading information that is wrong or simply a rumor, forcing the company to then go back and try to correct the information after the fact.

With a diversified workforce, Company A also needs to have a diversified internal communications plan. The public relations department realizes that the people in manufacturing do not have access to the information via computer, yet they continue to use that as the predominate method for internal communications. Therefore, another method should be used, such as a hard-copy format that the manufacturing people can take home with them or read when they have a chance. For instance, a weekly newsletter could be used.

The information overload is another problem in its own right. To simply put out mass quantities of information to individuals is not communicating. The remarks by the

public relations professional at Company D made this point quite succinctly in discussing the importance of managing internal communications, "... because like any communication vehicle, if you misuse it or overuse it, you waste it, people walk away."

*Filtered communications.* Open, honest communications are vital to crisis management as shown by the reviewed literature. Employees have a stake in their company and when they are treated like a part of the team, they will go to war for the company. Like a company's philosophy towards crisis management, a company's communications philosophy also starts at the top. Unfortunately, for the employees at Company A, that communication philosophy centers around a need to know concept that some managers have taken to heart.

As a military member, I'm fully aware of the necessity of a need to know basis in order to protect operational security and, in essence, to possibly protect lives. However, we do not temper that policy by telling our members information, with the caveat that they can't write it down.

There is certainly a degree of privacy of information that needs to be maintained within any company, about issues such as advanced technology or products, especially if that company is considering making the jump from a private to a public company. But, it seems to make little sense to brief managers on a topic and not expect or allow them to share that information. The signal that this sends to managers is that they should also be filters of information and determine what their employees should or should not see. Again, the result of this is reliance on the employee grapevine for information. As evidenced by the remarks of the participants, some managers do share information while others do not. This causes people to actively search for the missing pieces to the information puzzle, and again, rely on a communications vehicle that is definitely questionable.

One recommendation for this situation would be to provide managers and employees the information that can be shared from meetings in the form of minutes. If

there is a need to close-hold the information, then one would expect that the number of people involved in that meeting would be limited as opposed to briefing every manager in the company.

*One-way communication.* The importance of a two-way symmetrical model of communication has already been addressed in this section and will not be repeated. The members of the focus group were quick to note that there is only a one-way communication system within Company A, that runs from the top-down. However, this was not always the case in the company. During the transition period from the parent company to the sale of the company, Company A appeared to have an active employee feedback program. According to the director of public relations electronic mailboxes were set-up for questions and focus groups were held. However, as she readily admitted, these programs have gone by the wayside.

Clearly, the internal communications department of Company A, particularly with the manufacturing department, needs to have a feedback vehicle or better yet, a return to the days of regular focus groups and research in order to understand the employees' positions. This would allow them to feel that they are a desired part of the team. Company A does recognize this and the research conducted for this thesis was one of the first steps in improving their internal communications process. Further, they are also having an internal communications audit conducted by an outside consulting agency this year.

*Us versus them.* In order to conduct effective crisis management, an organization needs to present a united front. Everyone needs to be on the same page of music and understand the company's position and vision, especially since employees are the second leading source of information for reporters during a business crisis (Millar & Irvine, 1998).

In short, the four previously mentioned general statements developed from the focus group have all lead to the development of an us versus them mentality in Company



A's employees, directed specifically at manufacturing. Clearing up the issues identified in those general statements will go a long way towards correcting this problem.

However, there also has to be a change in the mindset directed towards the manufacturing employees. Comments about the manufacturing employees such as "they just want to know how business is and whether or not they are going to be laid off," made by a member of the public relations department may be true. Yet, without conducting any research to determine exactly what the concerns of the manufacturing employees are, comments such as this only seem to generalize and stereotype these employees.

Manufacturing is where the "rubber meets the road" as noted by one member of the focus group; without this part of the team Company A would not be complete. Finding a way to better integrate this important component into the company should be a primary focus of the company's internal communications efforts.

The in-depth interviews with members of the public relations department resulted in three general statements which are listed and discussed as follows.

*Cubicle challenges.* A challenge to organizations that have to deal with limited space and resources is to create a physical atmosphere that is conducive for internal communications. In meeting this challenge, an organization will better enable its ability to deal with a crisis, because of the increased information flow within the company's employees.

Cubicles are seemingly a fact of American business today and they were extremely prevalent throughout Company A. The problem with the cubicles is that they appeared to inhibit movement and communication. Because of the electronic format of internal communications and the use of speaker-phone meetings, there was really little use for an employee to leave his or her cubicle.

Further, since the public relations department is located in a separate building from the majority of Company A, more movement seems to be necessary not less. The

public relations director acknowledged this in our interview. This is not only relevant for her, but also for the other members of the department, so that the company's employees would know who they were as well.

*Internal communications.* The need for a strong internal communications program has already been addressed as an organization; however, it is just as important within a department. Within the public relations department internal communications seemed to flow pretty well, mainly because the members were responsible for the internal communications programs and vehicles for the company. What seemed to be missing, however, was a clear understanding of the roles and functions of the other departments throughout the company. The basic feeling from the department was one of, "... we are putting out the information, but people just don't get it." What wasn't realized or appreciated was how the employees on the other end were using this information or in what form they really needed it in order to maximize its effectiveness. Efforts to facilitate a cross-flow of information between employees within the department and the company itself, would go a long way to alleviate these problems.

The largest problem in the public relations department appeared to be trying to determine whether or not a document was in draft or final format. Without a clearly defined organizational structure that would show the necessary routing of a document for approval through Company A, this could be a continued problem.

*Organizational culture change.* During times of organizational change, a clear, single communication philosophy is needed to keep the employees focused on the same goals and vision -- again, unity of purpose. Several members of the public relations department mentioned the changing organizational culture and the impact that it was having on employees. There was still a strong foothold of employees and managers that held the parent company's philosophy towards internal communications and the chairman of the board's need to know policy, seemed to reinforce this view. However,

the new CEO seems to be attempting to open up communications within the company, creating both conflict and confusion.

A recommendation to Company A would be to clearly delineate an internal communications vision and philosophy, so that every employee understands how the internal communications systems should work and actions to take if it does not work. As previously discussed, this would need to be centered around a two-way communications model within the company. This should also assist in alleviating conflicting messages from management such as the message shown in the manager's meeting about the company's possibility of going public.

### *Conclusions*

While the reviewed literature outlined the necessary actions to conduct crisis management for an organization, the participants in this study outlined how they, as public relations professionals, conducted crisis management on a daily basis. The use of some form of plan by all of the participants was noteworthy, however, the effectiveness of those plans in the majority of the cases seemed to be questionable.

From the public relations professionals' point of view, use of a plan, industry knowledge, internal communications, issues management, and protecting the company's reputation were all vital to how they conducted crisis management. Particularly salient, was the issue and discussion of effective internal communications. This was a surprising finding since the reviewed literature seemed to gloss over this point, for the most part hiding it under the auspices of maintaining relationships with key stakeholders. What was missing from the discussion of the participants was reference to a two-way symmetrical model of internal communications for crisis management. However, this should not damper the value of this model as a normative goal for public relations programs.

The most important measure to determine an organization's ability to effectively handle crisis management was, however, the efficiency of its internal communications.

Because of an internal communications system that is predominately one-way and also fails to reach nearly one-third of the company's employees, Company A would appear to be a crisis prone organization. However, movement towards a more symmetrical communications system as well as the other recommendations previously discussed in this chapter, would move the company towards being more of a crisis prepared organization. As it stands today, Company A may have difficulty dealing with a crisis should one arise, if the research by Millar and Irvine (1998) holds true that employees are the second-most quoted sources in news stories about business crises.

From this research, it would appear that public relations professionals should give increased attention towards their internal communications program. Personally, this has been a real eye-opener for me. For as Grunig (1992) points out, "Internal communication(s), then, is the catalyst if not the key to organizational excellence and effectiveness" (p. 569). In the case of crisis management, however, it may mean the difference between success and failure.

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## Appendices

## Appendix A.

## Transcript of Interview with Public Relations Director at High-Technology Company -- Company A

Speaker 1: ...I'm going to set it closest to you. I'd like it pretty close.

Speaker 2: Yah, interestingly enough when you asked me if I'd been through a crisis and then you look closely at these definitions, one—the largest event that we've undergone that you probably wouldn't...call it a crisis, in those words, but when you look at the definition it certainly was. It was when Company A was put up for sale in 1996. It was announced that we were going to be up for sale prior to—right before our parent company announced it's, trivestiture. So, we were put up for sale and then we found out the whole was, you know, well, actually it was vice versa. The whole thing was splitting up. We thought we'd be part of one company and then—when you read this, what we really went through was probably eight months of crisis management. Because...when you look at this major occurrence with a potentially negative outcome affecting the organization, I mean, people here got very un-motivated. We weren't coming out with any good products during the time under which we were for sale. I mean, our whole normal business transaction, I mean, everything was—even though you like to think, "Oh, a company can be put up for sale and it's not a crisis," it really...according to this definition was truly that. And, what we did, the interesting thing is, we—no one knew about the trivestiture other than very, I mean, like John Doe (at the parent company) and the PR person. There were like four or five. It was a very closely held secret. Even our President didn't know about it. So, it was very interesting to have that announced completely out of the blue and then two months—and apparently they had been talking about selling Company A before that, and then announcing that Company A was up for sale. So, I got brought in early on once we knew we were going to be put up for sale. And, what I did was, we developed a very...documented plan of how we were going to handle questions. Actually, how we announced it, how we were going to handle questions for the employees, from the media, whether it was trade or local media. You know, it was kind of interesting because the trade press obviously looked at it different than the local media. The local media is concerned about employees, having people out of jobs. And, the trade press is more interested in about the products and the technology continuing.

Speaker 1: So, how many key publics would you say you kind of identified for that? This is what it sounds like you're telling me.

Speaker 2: Yes.

Speaker 1: You said, "Okay, we had this, we had that."

Speaker 2: Right, we had our employees, internal communications was like probably primary, because if the employees were un-motivated then that was going to affect

## Appendix A (Continued).

everything. And, then we had our local newspapers. Really, that's the only thing that covers us. T.V. and radio, they don't tend to cover us as much but the local papers, and then the trade press. Just to ensure that Company A's good name is out there. That our customers—because most of our customers are not local, I mean, we're a global company. So, really....

Speaker 1: Are you publicly held? Public held company at that time.

Speaker 2: No, we were, uhm, well as part of our parent company we were public so...we were under its auspices we were a publicly held company. So, those were our primary audiences that we had to deal with. And, then what we had from that point on, that happened in October when we announced that we were going to be put up for sale. Like I said, we instituted a whole feedback program for employees to ask questions on a continuous basis where we gave answers back. We had our statements ready for the press. And, then as months went on when we were courting people to buy us, you know, months went into months to months and then no names. So, then we approached the phase of the guessing game where I'd get the calls from people wanting to know who is going to buy you. And, "Oh, I hear this rumor today," and of course you can't comment on any of that. And, then as we got closer and closer to March or April we really thought—March timeframe we thought we had a buyer. And, then that's when I really got into gear with developing the launch plan from once that announcement was made. How we were going to communicate that to the three audiences which I named which are primarily the two media outlets, I mean, I'm saying trade—local employees and then, I forgot one other one, our customers. That was, obviously, somebody we had to communicate with along with the way. So, what we had was a plan kind of outline and we had kind of plan A and plan B of, you know, of contingency planning on how we were going to announce the sale of the company. And, so finally in June we found out we had a buyer and it was kind of an interesting thing because we had the Q&A ready. We had the press announcement, you know, kind of like sitting there. I mean, all the stuff had been worked. And, the lawyers big contracts with the buyer. And, I got a call from our parent company, I was working close with the our parent company PR people and they said, "Well, it looks like the contract is nearing an end so you need to kick your plan into gear." So, part of our plan was we were going to host all, I think we had about 1200 hundred employees at the time, in the front building. We have no satellite capability or anything to hook all of our offices together. So, then I had to have a satellite truck roll-in. So, of course, as soon as all the employees saw a satellite truck rolling in, they knew. And, of course, all this is under wraps, you know, you're not supposed to be announcing the—nobody is supposed to know that a deal is eminent. So, I had a satellite truck sitting out there for like a day. And, I'm like, "Okay, we're ready on our end, we have all the materials ready." "No, the lawyers are still in negotiations." Well, then day one goes into day two. So, for three days we have like a room set up there with all these chairs with a satellite truck. And, I forgot, the week before that we got a call from, I guess, Reuters News media announcing, because somebody had leaked the buyer. And, we had to deal with that, of course. But, the beauty of what I loved about the time, the day we announced who was going to buy us, is—well, I forgot the part, here we're all ready and the last words that I left with my our parent company

## Appendix A (Continued).

counterpart in New Jersey was, "I don't care what time it is, call me at home--if it's three o'clock in the morning when negotiations end," because I have a whole slew of things that I have to get engaged here. I mean, I had a plan, documented plan of who I'm calling in my department and who would be where when. And, who would immediately start copying the papers and the set up. It was a lengthy thing. Well, interestingly enough, I don't know what crossed his mind but negotiations ended, finally, one night at like three o'clock in the morning and he leaves a message on my voice mail—at work! I get up the next morning kind of late, I mean, like six or six-thirty and I thought, "I'm just going to check my voice mail," and it's the message from him saying, "It's a go." And, it's like six-thirty and I'm like thirty minutes away across the bridge and I'm totally like, "I can not believe this." I mean, I barely—I threw myself together, came in here. And, interestingly enough, we had announcement out to all the employees at eight-thirty that morning on the email that said, "A buyer has been announced and there will be a meeting at ten o'clock, in the front," whatever. And, what was good about all that was that it wasn't very secretive. We pretty much kind of laid it out immediately. And, the news release went out on the wire that morning, too, saying that, "A buyer had been found and signed a letter of intent for the company." So, that whole process, like I said, was a daily—managing. The business and the public's perception, the employees perception, I mean, keeping employees here because employees didn't know, "Well, what if a buyer comes in and then he lays off hundreds of people?" "Do all of us stay?" But, I think that was a good example and just organizational. I mean, having a plan in advance that you really followed, because if I had not had it all laid out, like I said, I would have planned to have been here like three hours—like five o'clock in the morning if I had known. But fortunately, we had everything pretty ready and came in. And, we were able to put a satellite up, took live calls from all over the world. We have the our parent company people here, the new buyer, the old management. And, it was incredibly received. I mean, it was a very, very...we got big accolades for being very open and up front. And, plus the new management team, he was just a ... very open, very up-front. You know, the question came at the meeting, "Are you going to lay off people?" He said, "Oh, no." I mean, "We signed a letter of intent...possibly, it could be." "I'm not going to stand up here and tell you no." People like went, "Wow, he told us like it was." And, that was sort of, set the tone for the whole new management team. So, that was sort of a nice kind of eight month case study and dealing with it.

Speaker 1: Now, did you have any crisis management plan before any of this started?

Speaker 2: Well, the....

Speaker 1: Or, did you just kind of draw it up from scratch? Or, did your parent company say, "Hey, we can help you." Or, how did it work? Kind of at the beginning.

Speaker 2: For that one, a lot of help came from our parent company because they are, you know, when you read our textbooks, they always look back in that—whenever it was, whenever our parent company was formed. You know, the PR person has always been reporting to the CEO. There was a lot of help from there. But, just from our standard...you know, how we communicated around here, I would say that our parent company was much better than we were about their whole corporate communication. It was definitely our parent company. They really kind of led the way, but they did not—I

## Appendix A (Continued).

was the one who set up the detailed plan that even talked about launching the new company. All the details from, you know, a) communicating to our publics to getting letterhead changed. And, how we process receipts and invoices and, you know, I mean, to the detailed little signage around the company. All of those sorts of things to make sure when the announcement occurred and, then the even closed that we were a new company, and went out with a, you know, logo—new everything. So, that was really a planning process, too—that I did.

Speaker 1: Right. Now, how did you get that guidance? I mean, were you privy to all the conference meetings? You sat with the CEO of Company A and they talked about it. Or, did they kind of come down. I mean, I'm trying to find out how involved you were and at what kind of level.

Speaker 2: You know, it depended on what it was, I mean, you had to sign an NDA, pretty much from the beginning of when we were put up for sale just so that I could be privy to whatever was going on.

Speaker 1: A non-disclosure act?

Speaker 2: Yes. Yah, I'm sorry, non-disclosure for—so that I could, you know, they could tell me who was looking at us. So, I pretty much knew anytime we were close to getting a buyer and where we stood. And, then I took it. I was charged and worked with the senior management team to really lay out the plan for how we were going to lay things out. So yah, I was very involved. I mean, I worked closely with the new CEO when he came in to help plan the June 19th days -- forever etched on my brain. The announcement day and then August 1st is when the sale closed so I worked very closely with the new CEO. Uhm, everything from employee communication to what we said in the meeting, to setting up interviews, just all that. So yah, very involved.

Speaker 1: How would you say that public relations, your career in public relations, how did that aid you or detract from your crisis management efforts? Did it help, or do you find yourself using different parts of public relations to help in the crisis management? Or, not?

Speaker 2: Oh, oh yah.

Speaker 1: You know, would you say, "Oh, this a completely different water?"

Speaker 2: Oh, no, no, no. I mean, the whole—all of my PR training and even the textbook training that I've had really came into play there, because, you know, again, it's a lot of—who are you communicating with? You know, what are you communicating? How are you doing it? And, just the whole organizational aspects of it. And, then understanding how important it is to maintain an open line with all of your publics during a crisis. I mean, that was probably the key thing was to making sure that we were above board during that whole time. And, to throw fuel on the fire, during the time we were up for sale we had two lawsuits brought against us. One was a sexual harassment discrimination lawsuit by my former boss, which kind of made things very interesting. But, six women in the company, while the company was for sale, decided to sue the company. And then, we had some employees sue the company based on age discrimination. So, here you have the company up for sale and then these other two things which are very—could possibly, negatively impact, not only the company's image, but the employee morale.

## Appendix A (Continued).

Speaker 1: Sure.

Speaker 2: I mean, all of your publics. Those sorts of things. You know, you talk about those skills you bring in, you are still segmenting out your audiences and whose affected by what message. The sexual harassment and age lawsuits, the Trade Press could care less about those. That was never even, I mean, I would have bets with the senior management—they were all worried that it was going to be picked up in the Trade and I was like, “Guys, they don’t care?” I mean, “Yah, will it be picked up by the St. Pete Times and the Tampa Tribune and maybe even the TV, yah, yah, yah, and the New Jersey paper,” because that’s where we have a plant and the age lawsuit. But, the Trades don’t care. You know, that’s not their focus and that was true. I don’t think it ever appeared anywhere in the Trade Press.

Speaker 1: Now, did you have a crisis management plan that you worked from those instances? You had two major lawsuits it sounds like.

Speaker 2: Uhm, you know, you just triggered something else. The thing that probably worked well for me in really kind of setting up...preparing us for these larger issues were two things where we really did have documented plans of how, you know, who the players were and the plan, and how it worked. I keep mentioning the environmental health and safety side of things. That was always the weather issue because we’re a manufacturing plant and that can really knock us out if a hurricane or a tropical storm, or whatever. So, we really had a team of people. The Chief Operating Officer and the HR person and me. And, we kind of had a documented plan of what we would do in those types of emergencies. So, that was a nice sort of like playground for these bigger issues where you knew the players, you knew the process, you knew who did what. And, I used a lot of that. I also mentioned the union contingency plan that we had, which was, again, preparing for a union strike. I’d never been through such a thing and that was just a huge plan. We had letters that went out to employees that told them what they could do and it was a very, again, a very documented plan. So, those two things really, I use that along with just my general PR planning skills when it came to selling the company and with the lawsuits.

Speaker 1: Uh, just real briefly, what is your education? You mentioned your....

Speaker 2: Public relations, BS in Public Relations from the University of Florida with a minor in citrus and fruit crops. I thought I was going to be in the citrus industry doing something. And, then my Masters degree is in Public Administration with an emphasis in public policy.

Speaker 1: Great, I just wanted to get that on there, needed to mention it. Did you actually, you said you had a weather plan, you had an employee relations plan. Did the company ever kind of run through those?

Speaker 2: Nope!

Speaker 1: Did you do kind of a drill exercise?

Speaker 2: Oh, we did do a contingency plan, yes. The union plan we did and then we, you know, actually did some run-throughs. The weather plans, uhm...no run-throughs, but again, highly documented specifically what the messages were. You know, we would categorize it by storm level. Level “A” warning, “B”, “C” and when we would do what. And again, very documented as to what level it was and what you did at each



## Appendix A (Continued).

level. But no, we never practiced any of those. I'm just trying to think, no. And then, when the—because we had been through those exercises with the union, specifically, and me working with the legal department, we had a very good relationship when we got into this sexual harassment, you know, because again, it's a legal issue and how he and I dealt with one another. How the calls came in. You know, we were always reminding employees that the calls came to me, you know, they didn't respond. And, I would always be...you know, just kind of Planning 101. Anticipate what the questions were, you know, run them by him, my answers before. I knew I was going to get the phone call and they were always pretty good about calling me to say, "Hey, we just found out 'X' got filed in court today so we may get a call." And, I would just be prepared with, "Okay, here's our statement, in advance.

Speaker 1: So, you're getting kind of issues from the legal, I mean, where did you kind of learn about these issues? I mean, did you not learn about the lawsuits until they actually hit the press.

Speaker 2: Oh, no.

Speaker 1: Or, landed in court. Or, were there some warning signs for you?

Speaker 2: Oh, I was brought in with the lawsuit thing as soon as legal knew about it. So, from day one. "Got a lawsuit filed, here's the deal." And, "So, let's be prepared."

So, no it wasn't like I had five minutes to come up with whatever we were going to say, I had some time.

Speaker 1: Now, when you went through your plan, your union plan—back to that again, did you have to make any adjustments, find any problems or did you see anything wrong? Or, did you think everything was going to work as it was laid out, pretty much?

Speaker 2: That one...that one because it had been run, again, I came in after this thing had been done for years and years and years. They had a lot of the kinks worked out of it. And, it seems so long it was four years ago. I can't remember much on it. I just don't remember any major...major issues, but yah, there were things we had to adjust. Like some of the messages that we sent out to employees. Like our plan might have said—because when these union campaigns, you know, the employer has the right to...in the right way, persuade the employees not to join the union so you can send out, kind of, certain messages, you know. And, probably some of those messages we changed midway through...based on the tone of what we were sensing from the employees. You know, if we saw the tide turning. It was sort of like a political campaign. It's just amazing, it's just like a political campaign because it's a vote.

Speaker 1: How did you sense—you bring up a great term, sense the tide moving. You know, the wind of public opinion has changed. I mean, how did you find that out.

Speaker 2: Yah, right. It's the grapevine, the employee grapevine. On the manufacturing floor, you know, talking to people. You know, they pass things around, they tell their HR people things, they tell their managers things. Basically, that was it. I think that we may even have had a formal feedback mechanism during that time. And, we'd get public opinion that way, you know, people writing in or saying—but it was more talking to people and hearing well. Thinking about voting the union, you know, because of whatever, whatever. Then, you go, "Oh okay, the hot button is this so what we do?" But, definitely word of mouth.

## Appendix A (Continued).

Speaker 1: A more recent plan then, how did the—when you were through with the sale of the company and everything was done, and you have a this great illustrious plan, what do you do with it then? Do you have do any—say, “Okay, well lets rebuild this for someone else.” Or, were there problems along the way that you adjusted as needed? Or, how was that—did you have any kind of a, I guess, we call it a “hotwash.” “Okay, we’re all done now lets evaluate.” Did you have any kind of....

Speaker 2: No. Well, that’s not necessarily true. We didn’t really go through a formal evaluation of the plan, again, because hopefully it’s not going to happen again. You know, that specific issue of being sold again. We did, I will say that—that was in August, then we had a lay-off in August as a result of the new company. And, we’d done a lot between August and December 2, I really educated the new employees with the new management team. To really build them up and then you have a lay-off and that was kind of a downer. Actually, I’m off by a year, I’m thinking. I remember I was going back and saying, “We need to go back to some of the principles in that—how well we communicated with our employees during the whole sale process and post-sale process, because the morale is kind of down again.” And, “How can we institute some of the points from what we were doing then?” Ensuring that the CEO’s out in front of the employees, that there were regular meetings, regular communication. Sort of those things. So, it wasn’t so much a formal evaluation of the plan as much as going back to, “What were the things that worked really well during that time frame?” That you use during a crisis that maybe, “Okay, now we can kind of say, ‘whew’ that’s past us, so we kind of sit on our laurels.” And, you realize that you really can’t do that.

Speaker 1: Let me just check the tape real quick. Okay, good. Then, so those are—you’ve kind of explained maybe three, four pretty significant events for Company A. Now, what do you see or what do you do, would you say, on a daily basis in the form of crisis management as given by this definition.

Speaker 2: Well, in the area of predicting. I mean, in part of predicting, for example, I mean, it goes back to the sale. The word on the street has been for six months that this large company is going to make a huge acquisition of someone. And, that was supposed to happen in October or November. And, so one of my ears immediately went up and said, “Company A needs to have a statement prepared if they buy a similiar company to us,” because they were looking at companies similar to Company A to buy. Because, here we are two years down the road, they sold us off and the question is imminently going to come up, “Oh, they sold you all off, did that mean that you were like nothing?” They went out and turned out and basically bought, you know, two different companies who have the same technologies that you had in one company. But, the only way I’m able to predict is to just know what’s going on in the industry. To keep with the issues and, you know, talking to editors, reading the Trade Press, that sort of thing. So, that’s kind of from a proactive standpoint. You know, one of the things that I do to be prepared. And then, I guess the other area that I’m really always just so sensitive to that can just turn into a crisis is when we talked about sensing the morale of the people and where the employees fit. The other thing is that our company will probably go public next year so that’s the big buzz. And, that’s going to be a whole other incredible communication effort to the employees. Explaining what that means, what they can and

## Appendix A (Continued).

can't do and, you know, all those sorts of things. So, in my mind I'm starting to think through, "How do we need to prepare for that?" And, develop a plan for communicating during that period. Ahead of time, during and right after.

Speaker 1: Do you talk to a lot of fellow public relations practitioners in your field?

Speaker 2: Yah, I'm very involved in the public relations study, locally. Unfortunately, there aren't a ton of high-tech people in there, I mean, because they're not the kind of high-tech companies, but yet I have a group of people I can call and get advice from, anytime.

Speaker 1: Anytime.

Speaker 2: Anytime I need it, which is great to have. Just to share stories, you know. What works and what didn't work.

Speaker 1: How much time would you say you allot, you talked a lot about kind of issues management, how much time would you say you allot out of your day to, you know, "Hey, I've got to keep up with the periodicals, reviewing clip,"?

Speaker 2: Not as much as I need to. I mean, not as much as I need to. I really sort of made a goal for, uhm, I got back from vacation today and came back all revived, about setting aside a certain, maybe if it's Friday mornings where I spend time looking at the pubs. On-line now, we get so much, we get barraged with on-line material. Just to kind of see what is going on out there, taking the polls. From an employee standpoint we developed an employee communication team that we try to get together and use them as sort of the pulse of the company.

Speaker 1: How often do they....

Speaker 2: They met once this year. I'll probably pull them together again at the first. So, it's probably twice a year. And, then informally through email and other things when we need feedback in place. And, that has been good. The other thing we instituted this year was a breakfast with the President where we go down the manager list and our President has breakfast with six or seven people. And, I monitor that meeting. I always go. Either my corporate communications manager or I attend. It's an informal breakfast meeting. That's always a great chance to kind of hear what's going on with people. And, that's every month or every six weeks. However often he can do it.

Speaker 1: Do you have any formal system set up for feedback? I mean, "Well, we got to the employees when we need feedback," but I mean, what about if the employees have feedback?

Speaker 2: There's a, we have a—I think it's still up, I mean, we were so into this for the two years we were up for sale. We had like an e-mail box where the employees can go post their questions. Like a corporate communications mailbox where they could blindly post their questions. I don't know if that's still up. It's one of those things that...knowing the culture change that has occurred here from when we were a part of our parent company to this new company, it's a much more open communication culture and people get the information they need. So, I think we've kind of, again, we're resting on our laurels again and we need to make sure we're doing some of the basics that we need to do.

## Appendix A (Continued).

Speaker 1: How would you describe the culture as more open? How? I mean, if I'm John Smith on the line, you know, how am I getting my information? How do I know that culture is more open?

Speaker 2: What is more open is that we get the good news with the bad as opposed to all the bad being hidden. That's probably the main thing. You know, we're going to tell it like it is. You know, here's what the numbers are and here's what they aren't. Here is where we've had successes, here's where we've had failures. Here, we've had these failures because of this. We're able to identify the failures and here's what we're going to do to fix them. Whereas before it was always, it was a couple of things. There was not trust in the senior management team because they didn't know the industry at all. So, you couldn't feel comfortable even if they did identify a problem. They wouldn't know how to fix it because they didn't understand the industry that we're in. Now, I think there's a comfort level with the people who are running the company. Uhm, understand the industry and they know they're going to make the right decisions for the company. The other thing that used to occur...that was probably the crux of the problem, and then what would occur is everything—even when they would describe something bad it was one of those, uh, it was so covered up. Just glittering generalities, I guess, that—people are like, “Okay, so what,” I mean, “Things are bad but what does it really mean?” I mean, “Okay, lets get down to the bottom line.” So, that's a part of where the culture is—we have a much more flat organizational structure, not a lot of layers. We kind of did away with a lot of the bureaucracy that was here. You know, forms and signature levels. You know, things that just made it go so slow. And, you can't in a high-tech company that's supposed to be coming out with new products all the time. It can't move like that. So, people can just tell it's, you know, it's a different place than it was.

Speaker 1: Uh, I'll go back to my original question. How are they getting that information?

Speaker 2: Oh, oh, sorry!

Speaker 1: No, it's alright. This is great detail and we'll probably go back to that. How am I getting that information?

Speaker 2: They get a couple of ways. We have regular—the President, we have what we call “break-aways.” Employee meetings quarterly where John Doe gets up and talks about the state of the business. It's kind of funny, though.

Speaker 1: Who is John Doe?

Speaker 2: I'm sorry, our President and CEO. And, what is kind of interesting is we got some feedback from the break-aways, because John Doe is a sales guy from his training. I mean, that's his upbringing. And, so he wants to go through the numbers. You know, by channel, by product. And, just the detail. Well, the average employee on the manufacturing floor, they don't care about the detail, they just want to know, “Are the numbers good or not?” You know, are we profitable or are we not. You don't need to get specific with it. So, we gave him that feedback. And, we got that feedback through our informal means of gathering information. We had been talking to people on the manufacturing floor, talking to people on our communications team and finding out—actually, I think we did a formal survey in our break-aways. “What do you want to get out of these things.

## Appendix A (Continued).

Speaker 1: Let me flip this tape over because we're getting close to the end here and I don't want to stop you. [End of Side 1]

Speaker 2: So, that's one way. Then, he writes kind of a regular, kind of quarterly letter to all the employees. And, then we have what we call ring the bells which are big sales type things. Like big deals that have occurred that fill it. It goes out in email. We have the intranet, which is our main source of information that talks about news and what is happening. And, I mentioned the one-on-one, the small breakfast with the President.

Speaker 1: Right.

Speaker 2: And, then we have quarterly managers meetings. Where John Doe, and whoever else talks to the managers about the state of the business. So, I'd say there were about five or six. We do not have a printed communication vehicle because of the WEB and how....

Speaker 1: It must be kind of odd for a high-tech company to go to the typeset printing press.

Speaker 2: The thing that always concerns us is that the manufacturing employees, they don't all sit at a terminal. They have access to a terminal and they have ID's, but you know what? That is the least, that area is the least problem area for communication. It's like a sieve over there, you pass something out and just like everybody gets the—if you want to know anything that's going in the company you go over there first, because they have a very good informal grapevine with passing news around. So, my fears are always, "No, they don't have access to all this stuff," but they get it. Their managers are really good about printing off what is really important, passing it around and getting the word out

Speaker 1: Where would you say your biggest communication problem is?

Speaker 2: Probably between engineering and sales. And, that's getting those two organizations to communicate. I'm trying to do some things this year to make sure there's more opportunity for those two to get together and communicate with one another. And, then the other problem area that we have is...we haven't been very open about our profitability number because, again, you have to be careful what you share. We're really open about our revenue number. And, I think that people who run the business want to know more detail. And, you know we're having to balance that with when we become a public company, you know, there's certain things you can't do and you have to be even more careful. So, we're trying to train ourselves in the thought process of a public company. And, I think that creates a bit of a communication problem with the middle management. I'm trying to help them understand. How do they know how we are doing without giving the full detail.

Speaker 1: I want to go back to the question about how you feel your public relations is working with helping you conduct crisis management? Am I hearing you right that you say, basically, that your biggest thing is just finding those issues, predicting those issues beforehand.

Speaker 2: Right.

Speaker 1: And then, correcting them or—so, maybe take me through that process of, you know, what happens when you find, maybe wake-up tomorrow and some other

## Appendix A (Continued).

company, you know, John Smith's company has come out with this new great technology.

Speaker 2: Right, right.

Speaker 1: What happens when you see something like that? Or, take me kind of through your process, you know. If you identify an issue how do you kind of attack it, I guess?

Speaker 2: Well, I can think of one issue that we have right now that's...I mean, I know how we want to attack it.

Speaker 1: And, that's what I'd like to hear, too. What are your restrictions? Maybe give me how you would do it from your public relations angle, but, "Oh Okay, the lawyers are telling me one thing," or, "The CEO is saying another."

Speaker 2: Right. Yah, here's a good example, and again, it's partially because of our industry and we just had a bunch of changes. We have a product that's called "ABC", you've probably read about that one. It is a communications product. It will compete in the arena with what they call the standard product. This consortium is doing a huge, since January of this year, push to educate the industry and get everybody on the standards and blah, blah, blah, blah. Well, as that standards movement has become more excepted in the industry, here, we're still sitting out with this ABC product that doesn't meet the standard but is kind of like the Beta/VHS thing, it's better. It does everything but it's not standard. And, we're starting to get hammered by the media wanting to know, "Well, what's your stance on the standard?" I mean, "Are you going to be compliant or not?" And, so from our perspective, you know, my PR person is getting this call. She's trying to get, you know, sending e-mails and phone calls to the product marketing people, product management people, to say, "What do we need to come up with a statement?" You know, "What is our stand?" And, they kind of reply with, "Well, I don't know what our stand is?" You know?

Speaker 1: Right.

Speaker 2: So, "Do you want me to come up with something?" I mean, they said, "Do you want us to come up with something?" Well, I think that's kind of meaningless. Or, you know, do you want us to really, you know, "We're not trying to put you off," which is sort of how the media relations person feels. "Well, you need to come up with something." I mean, "Can't you come up with an answer?" Uhm, but they're like not wanting to make it up, but I don't know what the answer is. We're in a quandary as to what we're going to do. So, that is one example of, "Wow, we're starting to get hammered." We call up and say, "This is the issue that's out there, what are we going to do?" And, then you get met with, "We don't know what the answer is." And then, finally they did come back with an answer that we're kind of halfway comfortable with. The right thing to do, and that's an example, again, of—technology decision, that's a dollar decision. You know, "Are we going to reconfigure a product to," you know, it's not like an easy, "Oh, we agree with the standards," to go out and say that.

Speaker 1: Right, sure.

Speaker 2: Okay. "Are you going to back it up with any product?" Now, if another issue came out that I saw on the horizon, what I would do is probably pull together, you know, my boss, the VP of marketing and then the CEO, the President is the CEO of the

## Appendix A (Continued).

company. Sit together and then whoever else maybe needed to be involved. Maybe the attorney. Say, "Here's the issue, lets brainstorm about what you think we want to do. Or, actually I would probably take them—for example, in the union relations example.

Speaker 1: Right.

Speaker 2: What I'm going to do there is provide them with, based on what we said before to make sure our answers two years ago jive with what we say now, "Here's what I'm proposing that our response is."

Speaker 1: Lets go back to this ABC one because that's, I think, maybe a real-life situation that I'm really trying to get at. How did your public relations staff, your media relations people, did they interface at all? Or, was it just left up to your product people to come with a company line?

Speaker 2: Uhm....

Speaker 1: Were you guys kind of left out of that loop and you got an answer back? Or, was that more of an adhoc kind of committee? You know, "Lets talk about this, lets talk about direction."

Speaker 2: No, no. Well, again, it kind of happens in e-mail a lot of times as opposed to like face-to-face stuff going on. Basically, Jane Doe said, "Here's the problem, here's what I kind of think we need to say or the path we need to go down."

Speaker 1: That's your media relations person?

Speaker 2: I'm sorry, yes. And then, "What do you guys think?" They kind of came back with a written answer that they had—because she kind of said, "Here's all the holes," you know, "Here's all the weaknesses you need to be aware of." And, they came right back with an answer, like I said, with an answer that was helpful. What should have happened, you know, in my opinion, we should have walked across the street, you know, sat down with them and said, "Help me understand." That's probably where we're left out sometimes. Again, just because this is, I mean, it's such a flat organization and things kind of happen in the hall and whatever, and we're not real formal sometimes. And, you know, I think we sometimes may say, "Oh, they had this meeting without me." "Well, you know, it wasn't like they planned the meeting and they didn't invite you." It's like, "You know, they talked in the hall and brainstormed, you know, so that's why you need to walk over there sometimes, too, just to make sure that occurs." But, it's the kind of organization where it's easy to do. It's easy to say, "Hey, we've got a problem, lets pull together and talk a little bit about it."

Speaker 1: Now, I noticed that you are separated. So, who is located in the facility that we're in and who is located in the main building?

Speaker 2: There are people in—there's that building across the street, which pretty much everybody is in. This building has more Communications, PR, you know, the WEB team, all of my group. That's all of my group. And then, order management, training, technical support, uh...facilities, I think. And, it has not been done organizationally. We're here because we have the WEB studio and, you know, the build-out here. I mean, I was supposed to move across the street and I kind of said, "Oh, I don't want to be across there," because of, you know, space-wise, we don't have what we need. We have the studio built-out to be a recording studio and that sort of stuff.

## Appendix A (Continued).

Speaker 1: Does that inhibit communication flow? You kind of mentioned that, "Well, you know, we kind of need to walk over there once in awhile."

Speaker 2: Oh, yah, yah, yah. Uhm, I think it can, yah. I think that's where it's incumbent upon us to, I mean, even if you stayed over there you could sit in your cube all the time and not go out and see anybody. But, as much as we interface with product marketing and product management and, you know, the rest of the people, we're always meeting with them anyway, you know. We have a pretty good communication. But, you know, I still think it helps to be next to somebody. It keeps the communication flow going.

Speaker 1: Now, how do they—so, when you consider that if it wasn't really a crisis, it was an issue that really didn't evolve the ABC, that's not dead yet is it?

Speaker 2: Oh no, it's not dead.

Speaker 1: So, you've kind of had an inkling. Or, you know, there's a problem so whether—are you doing it with the public relations marketing staff or are you just, you know, what are you doing now? You know you have an issue because I was even reading the press clips and everybody's talking about it. Hey, the company standard is one thing, Company A has this great product but they weren't in on it when they were building the standard for the industry. And, so now how does Company A work through that? I mean, it sounds like you might have an evolving kind of crisis.

Speaker 2: Oh, yah. We'll probably end up with two different products that is in standard and one that doesn't fit in the standard of people who buy it but don't care about standards. I guess our strategy right now, ABC, for example, going forward from a PR standpoint is to show that the proof is in the pudding. If we have large, regional companies who buy, who come to us and say, "I want ABC and I want it now!" You know, we're going to promote the heck out of it and say, "Okay, it's not a standard, but guess what?" "It works better than anything else and people are using it and it's making money." And, hoping that our other customers, and our customers, again, being the high-technology and communications industry, see that and say, "Well, somebody else is using it." Then, "It must work and it must be worth me bucking the whole standard system just to do it." So really, our strategy right now is to get customers to prove, you know, just PR fluff, that it's good. You know, we've been in the trials. We had two lab reviews last month, we put it up. We seeded several lab trials and it, you know, the reviews are all, the lab thinks it's a nice product and it works better than the standard. So a lot of our strategy has been to, you know, and we're on the standards body, too, by the way. That's our other strategy, from an engineering standpoint and a marketing standpoint, to try to influence the standards committee to, you know, look at this or, you know, do some other things. Well, at the same time, you know, I'm kind of talking out of the same sides of my mouth. But, you've got the standard and ABC here because we think there's a place for both. That's our strategy and that's really what else we say. Some companies, they're never going to want anything other than what's the standard. So, guess what? If they don't want our stuff, that's fine. We've got a big enough market here that will buy now. So, that's how we've done it.

Speaker 1: But, you really haven't gone through a whole, you know, like you said for the union thing—you've kind of developed a whole plan and that.



## Appendix A (Continued).

Speaker 2: No.

Speaker 1: How would you know if this was a crisis? At what point would you—is there a way that you would recognize it?

Speaker 2: Yep, yep, I would recognize it as a crisis when the first huge company that we tried to sell this to said, “Uh, don’t want it because it’s not a standard.” That’s when I’d want to hear about it and would want to hear about it immediately because if that happened then our whole strategy doesn’t make sense from a public relations standpoint and a marketing standpoint. I mean, public relations can’t be going out and saying, “They are our markets.” “Oh yah, what about that big company that turned you down yesterday and went with the standard?” That could be a crisis.

Speaker 1: What then?

Speaker 2: A new plan.

Speaker 1: [laugh]

Speaker 2: Don’t know. Good question.

Speaker 1: So, you really haven’t taken this issue that far yet. You don’t—do you think it’s going to evolve to that point?

Speaker 2: I don’t know.

Speaker 1: You must not. I mean, I’m assuming you kind of don’t.

Speaker 2: And, it’s probably worth sitting down with the product house to see, and the sales people for that channel. And, having a discussion to find out, “Hey, what about ABC and the standard?” “What do we do then?” And, “What are the product plans?” Certainly, the product house has a plan, just from a product/delivery standpoint. I say, “Certainly they do,” they may not, because again, it kind of changes with this industry. It’s just crazy, you know.

Speaker 1: Yah, I know. I was reading your press clips so—do you put those press clips together, your department?

Speaker 2: My team, yah.

Speaker 1: So, you do have someone daily or how does that work?

Speaker 2: Well, we have a couple of things. Of course, we are out searching the on-line vehicles regularly through searches and other sorts of things. And then, I think our PR agency actually physically does the clipping. I think there’s a clipping service and they manage that. We’ve kind of gone back and forth. Sometimes we’ll do it in-house and other months we go back and forth because we have a....

Speaker 1: You do have an agency.

Speaker 2: Oh yah, we have an agency on retainer that we’ve had for about two years out of South Florida. We just joined up with Fictional PR. I don’t know if you’ve ever heard of Fictional. They are one of the largest PR firms in the world and they just bought our PR agency so that’s kind of good for us. It gives us more support and flexibility.

Speaker 1: Now, what does your PR agency do for you? Now, you’re on retainer.

Speaker 2: Yah, I have one media relations manager, senior person. And, she has an assistant that’s more of an administrative person. That’s not enough to do what we do. I mean, we probably turn out, you know, three releases a month. And, probably we’re doing multiple reviews that we’re receiving. We’re always talking to editors. Well, I mean, it’s enough work for five people. So, what the agency does is there are several

## Appendix A (Continued).

people that are dedicated on our account. We found them because they already had an in with the industry that we're in. Working relationships in the media. And, they are really just another person handling, you know, the regular calls that come in. Planning, following-up with the press. You know, it's just sort of like I have, probably two AE's there and then my senior person. So, between the three of them they share the load. Which editors they follow-up, what they do and that sort of thing.

Speaker 1: More along the publicity lines, though. It's pretty much what you use them for.

Speaker 2: Oh, they're definitely—yah, yah, yah. Definitely on the publicity lines. Now that Fictional's coming on board we are talking with them, probably, are engaging them at the most strategic level for positioning as to go public. If that's the case, what we need to do from a corporate PR side, you know, tack into business press—that sort of thing at a higher level, I guess. Uhm, I can't ever really see using them, from the employee—from a strategic employee communications because I think I've been through everything I can possible have been through. Not, that you can't ever learn anything from everybody, but I'd rather use their resources for things that maybe I haven't encountered, uhm, from a strategic standpoint. And, we are, by the way, engaging them on this ABC discussion in a different kind of way. We have another product coming out that uses ABC, but does something else. So, the whole question was—we were actually going to go out and call it something else and say that it had nothing to do with ABC and we were like, "But wait a minute, as soon as an analyst gets close to it or even understands the technology a little bit—but isn't the underlying technology?" I mean, the whole issue was that we didn't want to come out with something that....

Speaker 1: Was not the standard.

Speaker 2: That got caught up in the standards debate although it's a different product. So, we kind of engaged a little bit in strategizing for how we want to announce that product in January. It was a very interesting discussion. Just getting into—like all of the various political things that are going on in the industry. And, it was much beyond a publicity issue. It was more of just a positioning issue. It was of just a positioning a company of what we're coming out with.

Speaker 1: How important is your understanding of the industry?

Speaker 2: Very—and if I want to go further it needs to be even better.

Speaker 1: Go further in the company?

Speaker 2: In the company. Yah, I mean, if I want to be a VP of marketing and PR, for example, the technology, I've only really been immersed in it for about two years and still feel like I did learn a lot in the data communications world. In order to, you know, because you have to understand the technology well enough to—to be able to spot trends. You know, if you know your competitors are coming out with "XYZ" well, "How does that—oh wow, that's in our space," or, your know, you have to be able to understand the technology well enough to make strategic kind of calls. And, I still like I have a lot to learn there.

Speaker 1: Uh, do you have anything else you would like to add?

Speaker 2: No.

## Appendix A (Continued).

Speaker 1: Okay. Well, I thank you for your time.

Speaker 2: Yah, well walk back here and let me see—I will give you the two things that I'm thinking about. [End of Interview]

## Appendix B.

Transcript of Interview with Public Relations Director at Travel  
Company -- Company B

Speaker 1: ... lets adjust the cord a little bit.

Speaker 2: Let me go ahead and close the door in here. There's a lot of traffic going back and forth. Okay.

Speaker 1: Okay. Well, first of all, thank you for meeting with me today. I really appreciate your time.

Speaker 2: Your welcome.

Speaker 1: But, like I mentioned, what I'm really after is to hear you tell me about crisis management, public relations and how public relations impacts on crisis management in your job. You can do that any way you'd like.

Speaker 2: [laugh]

Speaker 1: Stories that you've been through, things that you've been through, uh, however you'd like to do it. I can maybe start you off by, having you ever been through a crisis?

Speaker 2: With Company B or throughout my career?

Speaker 1: Uh, throughout your career?

Speaker 2: Yes, I have.

Speaker 1: Okay, but not here at Company B?

Speaker 2: Not here at Company B.

Speaker 1: Not here at Company B.

Speaker 2: Nothing that I would consider a crisis that would, detrimentally impact the organization to a great extent. At Company B I have not experienced that but at a former place that I worked at, a hospital, I did experience that. So, I can give you a run-down on what we did.

Speaker 1: Sure. Why don't you tell me about what happened there.

Speaker 2: It was nothing that we could have planned for. It was a situation involving a patient and a doctor. The patient's...the patient was undergoing a surgical procedure. And, the doctor, you know, working with children quite a bit was very, you know, very familiar or very fond—worked with the patient for a long time because these doctors see these patients over a course of years of treatment. So, the doctor and the patient had a very good, friendly relationship as with the doctor and the family. The doctor, during the course of prepping the patient for surgery had taken, with—I'm not sure with exactly what he used, betadine or some other kind of solution had drawn little happy faces and arrows and things on the patient as he was prepping the patient for surgery. Trying to get him to relax—clowning around with him, basically, with the patient. There was a nurse who had a grudge against the hospital, against the doctor, had viewed this and thought it

## Appendix B (Continued).

was totally inappropriate for the doctor to do this. So, she had contacted an investigative reporter. The investigative reporter, basically, bought into that scenario that it was totally inappropriate for the doctor to do this and had planned to do an investigative piece against the hospital system. Alleging that this doctor was almost in the terms of a sexual nature, you know, that kind of thing. So, the reporter contacted us, of course, or contacted the hospital for their, you know, comment or what have you. And, naturally they contacted—I worked at the headquarters for the hospital system. So, when that happened the Chief of Staff of the hospital contacted us immediately and said, “This is the case, this is what’s going on.” “We’ve got this investigative reporter whose doing a story on this, this is the whole truth, this is what happened, and how do we handle it?” Well, the first thing that we did is we looked at the situation. We did a lot of the interviews, we talked to the doctor, we talked to the patient, we talked to the patient’s family. We did talk to the nurse that made the allegations. Of course, we talked to the news reporter. We came back and we hired a consultant because this is more of a media crisis than anything. The crisis was, basically, that if it went on the six o’clock news, the way the reporter was portraying the story, it would be very damaging to the hospital and the hospital system. We didn’t feel he was accurately reporting what happened. Especially, after talking with the patient and the patient’s family who was in total disagreement with what was going on. They did not agree with this reporter, they would not cooperate with the reporter. It was basically the reporter talking to the nurse. So, we hired a media consultant to come in and give us some advice on how we should do this. And basically, our plan of action was that we would hold a press conference about a day or two prior to when this reporter was going to release his big story. Okay? So, they were already—this was even prior to, I think, the reporter teasing the story. Because, it was during a sweeps week, too. And, you know, when they get these big news stories they tease it for a week and what have you. We decided to scoop the reporter is what we basically did. We knew that we—we got the patient, we got the patient’s family, we got the doctor who is very well respected in the community and who has been doing this, you know, wonderful things for children for years and years. Uhm, we got other members of the medical team to come to this press conference and talk about the incident as it happened. You know, totally lay it on the table, “This is what happened.” Had the patient talk about what they thought, you know, this is—I guess probably maybe an eleven/twelve year old child. But, with the parents permission, the patient talked about his relationship with the doctor. You know, how he didn’t think there was anything wrong. That they had always joked around, that kind of thing. The parents got up and talked about how wonderful the doctor was, about how wonderful the hospital was. And, that they did not see anything wrong with this. And, the rest of the news media kind of stood around and said, “Well, why are you telling us this?” And, we told him, “Because one of your colleagues is planning an investigative release that’s going to be opposite of what these players in this story have just told you.” And, “We wanted to come out to tell you and hopefully that you could say that this isn’t true.” And so, basically, the reporter was doing the investigative piece was also there at the press conference. Heard all of this and canned the piece [laugh], it basically—it didn’t get any press. So, that’s how we handled it. We kind of out-foxed the investigative reporter. We took his story away,

## Appendix B (Continued).

basically, is what we did. And, because of that he had no leg to stand on. He didn't have—he knew that his colleagues would basically see through his investigative journalism, would see through the way he was portraying the story was totally inaccurate and wrong because we had the people there that were giving their side. So, no story ran. The rest of the news organizations didn't think it was a story so they didn't run it. And basically, it became a dead issue. So, all is well that ends well. I think we handled that crisis appropriately—given that nothing happened and that we basically turned the tables on the reporter.

Speaker 1: Right.

Speaker 2: That's an aggressive way to do things. It was very aggressive. Given the situation again, we probably would have done the exact same thing because we knew what the truth was—we had the truth, we had the participants, we had people who were willing to come forward and speak the truth. And so, we had to be aggressive so we basically scooped the reporter. So, that was a crisis that could have had some very damaging affects if we would have just not cooperated with the reporter, let it maybe go away. Or, sweep it under the carpet or, "Maybe it won't be so bad if it gets out." We didn't do any of that as a lot of companies probably would. We're trying to fight him on his ground and try to say, "Well, that's not true," without having anything to show our side of the story. So, basically we just laid it all on the table and said, "Here it is." And, it worked.

Speaker 1: So, now have you carried any of those lessons that you learned from that to your present position here?

Speaker 2: Uhm, yah. I think the fact that getting everything out on the table, being open and honest with everything really is—you've probably read and studied, is really the basic tenant of crisis communications is being open, forthright, honest and being quick about it. You know, don't let it drag out. And, so the crises that I guess we've dealt with here at Company B haven't been ones that, uhm ... that are going to impact the organization. Hopefully, it's not going to happen. But, they're crises such as uhm ... for example, I guess, we had a travel package that involved the Concord and the QE2 and so we had sold these people on these travel packages. And, the QE2 ran aground. So, we had passengers who were stranded, stuck—that kind of thing [laugh]. And basically, the first thing we did was to notify all of our passengers and to get them—to make sure that they were taken care of. To give them the best possible service that we could under the circumstances. To apologize, even though it's not a Company B problem that the QE2 ran aground, they're still our customer, we still sold them that package. So, we wanted to make sure that they were happy. And, made them happy, you know with offers of, maybe, discounts or something that would make them happy so that they would again trust us to book their travel even though it was—a situation that we couldn't have predicted or had no control over. It was important for us, in order to retain those customers, to make sure that they heard from us immediately after that grounding took place. That we were there to help them and assist them with whatever they needed to get back home or what have you. And again, it was a very quick, direct communication with those people. As well as with the news media, they picked up on the story but...again, they didn't portray it as a Company B problem. They portrayed it as a problem and this

## Appendix B (Continued).

is what Company B recommends or this is what Company B is doing to protect its customers. So again, it portrayed Company B in a very positive light. And, we were there—we flew an executive up to New York to directly get with those customers, to make sure that they were taken care of. To escort them to wherever they needed to be. And, we were portrayed as being one of the few travel agencies that actually went above and beyond to help their customers from a very, you know, unexpected situation. So, I think it's those types of circumstances that might come about from what we're working with now. Others might be airline crashes. We, fortunately, have not had any airline crashes where we've had customers on them. But, the media come to us as a source of information, of expert advice as to, how it happened, what does a passenger do, alleviate fears. Those types of things.

Speaker 1: Well, how did all that happen? You talked about a pretty kind of detailed process when this, you know, QE2 went aground. You're talking about now we have people on the line calling customers, we're offering discount packages, we're flying people up, I mean, how did that all come about?

Speaker 2: It came about as soon as we heard the news.

Speaker 1: I mean, is there—do you have some kind of crisis plan that you work from?

Speaker 2: I can't say that it's actually written on piece of paper.

Speaker 1: You know, how does it—right.

Speaker 2: But, it's understood, I think, as far as from management level and executive management is concerned that when we have a crisis of that situation that everybody in our department in Public and Government Relations carries pagers as well as most of our business unit executives. And, I would think—I recall that happened over a weekend which made it even doubly difficult. And, I recall that when it first happened, our Vice President of Public and Government Relations was the first one to get the news that the QE2 had run aground. He immediately contacted our Vice President of Travel to say, "Guess what happened?" "The QE2 ran aground, I know we have passengers on it, lets talk about what we can to take care of the situation." After those two initial contacts were made is when we brought together a team of people from travel and from public relations to talk about—the travel folks, of course, brought the lists of passengers, the people who were affected, possible solutions. You know, their recommendations because we had to rely on them. They're the travel experts, they also were in contact with Kinnard, the cruise line that owns QE2, the find out what they were doing for their passengers, what's the situation. So, they were the people who were in constant contact with the cruise line. And, the teams got together, basically, to say, "Okay, this is what we think we need to do." You know, "Obviously, our first and foremost responsibility is to our customers, so these are the people who are affected." "We need to get in touch with," you know, we had to get in touch with Kinnard to make sure that we can get in touch with these people. So yah, there was kind of a process but it happened—I think that he got the initial word from like a CNN report. It wasn't even from the cruise line. It was from like a breaking news story type of thing. And, if it weren't for that it might have been delayed until—because over the weekend, of course, a cruise line doesn't reach us so, thankfully, it was the news media that told us that. It just happened, so that's how we handled it.

## Appendix B (Continued).

Speaker 1: You mentioned that both situations, the one at the hospital and the one here were both kind of unpredictable events.

Speaker 2: Completely unpredictable events, yes.

Speaker 1: Do you do any type of planning for predictable events? Or, what kind of things are you doing in public relations? What did you learn from what happened on the QE2? Did you learn anything? Does it make you approach things differently? Or, is it business as usual? Is that now a predictable [laugh] event, I guess, is kind of my question.

Speaker 2: I think the thing that we did learn from that is that we got people on the travel team that were inaccessible. And, I think that what we learned from that is that we need to make sure our people are more accessible. So, more people are carrying pagers. More people are carrying cell phones in our organization. And, I think it was as a result of that particular incident because there were certain people who traveled who had the manifests that we needed to get a hold of so we could get that manifest. And, we needed to reach those people and it was reaching people at the time when you needed them was the most difficult challenge, I think, that we faced. And, since that time we've been able to overcome that challenge by making sure that people are accessible through technology. It's a lot more easier now than it was a couple of years ago, but nevertheless, it was one of the things that we learned. It's that people who hold responsible positions within the organization who may never deal with the crisis, so to speak, with the news media, are team players when they're dealing with a crisis within the organization. And, you need to make sure that those people are reachable. And, what we've done since then is that the crises that we can plan for like a hurricane or some kind of weather related crisis, we've structured a very detailed list of people and how to contact them using various means. You know, fax, phone, pager, cell phone, that type of thing. And, sent that list to a lot of different people within the organization at all different levels. So, when a crisis does happen, we will be able to get a hold of people in order to get some things done. I think our hurricane plan is probably our most detailed plan that we actually have written in place that we can actually predict. And, it's a plan that's company wide, it's not a PR—PR is part of this plan. We've got a PR component of this plan but it also takes into account facilities, telecommunications, emergency road service needs and those types of things. So, it's a very all-encompassing plan, including public relations. Public relations tends to be the central nervous system of this plan. It tends to be the one organization or the one department that centralizes and focuses all the communications of all these different areas to make sure that it comes into one place which we've determined is here at this headquarters if it's operating. You know, got to move that—there's electricity and phone service and things like that. If not, then we've got a back-up plan of where to take this central command station, so to speak. And, everybody is instructed to provide or feed information into us so that we can feed it out to those areas that need it. So, it's not just dealing with the news media in that case, although that's a big part of what we do during those times of crisis. It's also making sure that our employees are taken care of and are safe. And, that our facilities are okay. You know, if there's a facility down we need to make sure the appropriate people know and go through this whole process. So, we do have that written, we do have that in place.



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It's constantly being, kind of revised and added to and updated. And, so it's kind of a working document, is what it really is because with each new storm that comes through like the one we had this past year we even made changes to it then.

Speaker 1: Have you tried it, tried the plan?

Speaker 2: Yah. Yah, we did. This last storm that came through and I don't remember the name of the storm now.

Speaker 1: Was it Georges? I don't know if it was Georges or...was it Bonnie? I don't know.

Speaker 2: It was something. It didn't actually come through but it threatened us. It was that category five that kind of....[outside speaker walked into room]. But, what we did is we were able to kind of put that plan in action. The first part of it is making sure facilities would be taken care of. Making sure that, you know, that our central command station was working. We would be feeding these reports about the storm out to all of our offices, you know. Making decisions as to which offices needed to close because of getting ready for a hurricane or hurricane preparedness and those types of things. And, all of those pretty much came into this central command and then we sent out the messages to all the offices. So yah, we did get to work on it. And, it flowed pretty well. I think there were just a couple of tweaks, minor changes, things like that, that we're doing and we're working on as it relates to that particular storm. But, all-in-all, it seemed to work pretty well so we were happy with the way it worked.

Speaker 1: Now, you've talked a lot about, kind of—crisis communication. The one example you did give me, it was kind of an averted crisis. I mean, I would say it didn't really reach—ever reach crisis stage at the hospital because you guys kind of averted it.

Speaker 2: Right.

Speaker 1: Uhm, what other type of, I guess you'd call it issues management, you know, forecasting of events and trying to resolve things before they actually happen. Do you do much of that?

Speaker 2: Yah.

Speaker 1: And, how do you do it?

Speaker 2: Well, I think a lot of what we do is...is gathering information and getting information out to our offices in a very timely manner—of things of, stories that are kind of breaking. For example, just last week there was a Princess cruise line ship that was detained in some foreign port for drugs. So, all these passengers were detained and the cruise line was supposed to have another cruise in like a week. And, that could be a crisis, not only for the cruise line but also, you know, as it relates to our passengers who were either on the ship or who are scheduled to be on that ship. What we do in those situations—that's just one but there's others. There was the Carnival cruise line fire, for example. There's another cruise ship crisis—a lot of crisis in the cruise ship industry. And, on the crime on the cruise ship.

Speaker 1: Right.

Speaker 2: Yah. But, those are all crisis that relates to our business, basically, because we're in the business of selling those cruises. And, that could impact our business if those crises aren't handled appropriately or completely, or honestly. While we have no way of, you know, predicting what the cruise lines, how the cruise lines are going to

## Appendix B (Continued).

handle the crisis, we have to be prepared to answer our customers questions and our numbers questions about those particular crises. And, prepare statements for our travel counselors to use in answering those questions because they can be very controversial, they can be very difficult to answer. And so, in those cases, what we do—as soon as we are immediately notified either by the cruise line, sometimes through the news media, of a crisis that can impact our customers and our business; we get all the information we possibly can. We send that information out to all of our offices if we need to. If it's just information only, we send it out. Most of the time, though, we have to send out, also, detailed position statements. They're basically speaking points. "This is what you can use if questioned by the news media, by your customers," this is what the employees need to know how to answer these questions. And, we either put together a list of question and answers or we put just statements. You know, statements of fact, that kind of thing, that they can use in talking with their different customers and audiences out in the field. If it's a particularly sensitive crisis, a lot of times we'll feed them the information but direct them to send all media calls to Tampa to where we can handle it. But, in our system we've tried to—we've put all of our managers through a media training course. We want them to become the local expert and the local spokesperson with their media in their area. So, if it's something that we feel we've got a good handle on that we can give them enough information to answer questions logically and truthfully, we'll let them handle it locally. And, in those cases, I think most of the time, we give them their speaking points and let them handle it locally. But, we give them all that information and we continually feed them information as it comes in. The cruise ship fire—what's going to happen with the ship, how long is it going to be in dry-dock, what are they doing with that passengers that are scheduled for cruises in the next, you know, two or three months while it's in dry-dock, you know, those types of things. We continually feed them that information so they're able to answer their questions — customer questions or member questions.

Speaker 1: Can you just kind of take me through the process of developing those questions and answers? Lets say, you know, for the fire on the Carnival ship. Or, probably the better one is probably the crime on the cruise ships.

Speaker 2: Right.

Speaker 1: How does that happen? Do you just sit down and develop questions and answer yourself?

Speaker 2: Basically, yes.

Speaker 1: And, they get sent out?

Speaker 2: That's why I say—there's really no process [laugh].

Speaker 1: Does anyone else see your questions and answers?

Speaker 2: Yes.

Speaker 1: Or, is there buy-in other places or how does that all work? I mean, or—is it you? You know, you sit down and you do it and it's done.

Speaker 2: I—I sit down and I do it. It's one of those things, that come and drop everything and do it type of thing. But, I do give that to our Vice President of travel when it's—usually, if it's a travel related issue. Sit down with her and see if she agrees with positions or these statements of these Q&A's that I've drawn up. If it's a

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process—if it's when, uhm...if it's when I need information from a cruise line I go to her first and then she calls together members of her team that can provide me the information the quickest as possible. Because they have the contacts of the cruise lines so then it usually—what happens is that I develop a position paper, position statements. You know, schedule a meeting with her to go over those. She calls in other members of her team. If I, for example, need to get specific information from Carnival on this specific thing, what are they saying, basically. She has one of her members of her team contact the cruise line and get that information for me. So, she'll designate certain people on her team to get information as I need it in order to answer questions. And then, I just let her know, "This is who I think needs to get this information and this is how I think we need to handle these particular responses." And, I just kind of get a buy-in or an agreement from her. She'll give me her feedback. You know, she might change it a little bit, depending on her experience in working with the travel counselors, the managers, and the field people out there. But basically, we get into an agreement on how we're going to handle the communications on this. And, it's basically done—probably within just a couple of hours after the crisis happens. I mean, it's got to be that quick. And, sent out via e-mail and via fax to all those offices. And then, I pretty much become the receiver of the information back. If there's any feedback—if we've asked them to let us know if they've, you know, if they're hearing from customers what are they hearing from them, what kind of questions are they receiving? Have they received any media calls? What kind of questions are they receiving? And, if I get anything that's different or unusual—a question that maybe we didn't anticipate, I shoot it back to them. You know, again, if I formulate an answer I'll say, "Jane, this is a question that we hadn't really anticipated and this is what I think is the appropriate response." "What do you think," and then we'll talk about it. Also, in the communications that we send out we make it very clear that if they happen to get a question they cannot answer, that they can page me or page somebody on the travel team and we can handle that for them because we don't want to put them in awkward situations. Or, we don't want to put them in a situation where they say the wrong thing. If it's a question beyond what we send them, they're instructed to come back to us and say, "I don't know how to answer this question, can you help me with this?" That kind of thing. We want to make sure everybody is saying the same things, everybody's playing from the same playbook. And, if they happen to stray from that, uhm, to let us know. But, we've got them, like I said, it's part of the media training process, too, as to how that system works. That they are not to try to second guess an answer to question or try to, you know, interject what they thought. During a crisis they need to be very precise with either using the position statements drafted by us or by referring the question to us for an appropriate response.

Speaker 1: And, you conduct—you said that media training is with all of your managers in the field?

Speaker 2: Yah.

Speaker 1: Now, how often does that happen?

Speaker 2: Once a year. Once a year they go through a full-day media training course. We do talk about crisis communications during that time. And, we also have a policy—a media policy book that we distribute to each of our participants to let them know that

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during times of crisis that this is the appropriate procedure that you have to follow from the media perspective, from the media standpoint. So, they—and we go over that so they understand that if it's a local crisis, for example, not something that's going to affect the whole territory, but locally; they know to contact us immediately for assistance and for advise without trying to handle it themselves first. That kind of thing. So, we do that once a year. We put in for a full-day media training session. And, they only go through that one time unless they need a refresher and then we can send them back through for a refresher course but they usually don't ask for that.

Speaker 1: [laugh]

Speaker 2: [laugh] They know all the answers by then, you know. After that it's almost, you know, kind of learn by doing. But, they're very good about contacting me and asking me to develop message statements for them for upcoming media interviews and things that they're not quite sure of. So, it's kind of a learning process, too, as they go. But, that's what we do.

Speaker 1: How does the relationship work with you and sales, public relations and sales? Who takes precedence? You know, you come with the public relations department and you say, "This is really how we need to answer this," and the sales people say, "No, that answer is just not going to float."

Speaker 2: You mean, like from a travel perspective? You know, selling travel or what have you.

Speaker 1: Well, you're having a problem, you're having this crisis, you're having a situation going on and you're developing a key message, you know. And, sales say, "No, that key message is way off, that's just not going to float." "We're not going to even go there." You know, who kind of takes precedence over the issue?

Speaker 2: I'm trying to think if that has ever happened.

Speaker 1: You know, maybe it has never happened, maybe—I'm just trying to, maybe you can give me a little background into the working relationships. You know, you described it as a very good one. I mean, you hammered out the position paper and statements in an hour or two hours.

Speaker 2: Yah, usually we involve the executive management in those decisions. So, I mean, in all the experience that I've had here at Company B and all of the counseling that we've given executive management on particular crises and what we think is the appropriate thing that needs to be said; we've pretty much gotten one hundred percent, you know, response back from them, positive response back from them that's like, "If that's what you think is appropriate, that's fine." I can't think of a case where they've come back and said, "Oh no, that's going to hurt our sales," or what have you, because, quite frankly, from a public relations perspective we keep that in mind. I mean, and especially when you're dealing with the cruise lines and any kind of travel related crises. You have to keep in my that, not only do you want to report the truth but how is this going to impact our sales with that particular vendor or something like that. So, when you're developing your statements you have to keep that in mind. You know, from our public relations perspective. So we, internally, have to struggle with it, you know. We want to be truthful and we want to be honest but what can we....[End of Side 1]

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Speaker 2: ....but what can we do in order to ensure that it's not going to damage our business relationship with that cruise line or with that entity, or if it's not going to damage our future sales. And, if it was a situation where it would be detrimental to do business with that particular entity. If we thought it was unsafe, if we thought that our customers would ultimately be harmed. That we would have to make the decision as to whether we were going to continue business with that particular entity. That hasn't come into pass yet, but those are all questions we have to ask ourselves anytime something happens, you know. "Is this an isolated incident?" "Isn't something that organization couldn't predict?" "Are they handling it appropriately, and if they are, how are we going to handle it right now?" Or, "If they're not, should we still continue to do business?" I know that Company B is very cognizant of doing business with companies that are trusted, that are stable organizations. See, we do a lot of research into organizations in which we have partnerships with or dealings with to make sure that they are financially stable, that they are reputable, that they're trustworthy because we don't want our name tarnished by an organization that's not going to be trustworthy and it's going to do a bad job. And, so we take great pains into making sure that the organizations with which we have partnerships with are the best that they can be or else they're not going to be partners with Company B. And, once we've determined that through a lot of research and a lot of work, we want to maintain that relationship. But, if something should happen that they no longer meet that kind of criteria that we expect of our business partners, then a decision would be made to cut that relationship off. And, it hasn't happened so far yet, but I could really see that as a possibility because we have some very high standards for that kind of thing. And, if they don't meet those standards, they wouldn't be in partnership with us because trust and reliability is very important to Company B's image and reputation.

Speaker 1: That's what I was going to kind of ask you. What is your, kind of guiding principle when you're drafting these crisis communications or, you know, key messages or themes? What are the things you always go back to and that you always try to stress? You already mentioned that, "Well, we do take into kind of account, sales," you know, "We're always kind of looking at sales," but are there any other things that you're taking into consideration? Is there kind of like, I guess, principles of Company B that you're always trying to reinforce or things like that?

Speaker 2: Uhm, yah. I mean, part of our mission statement talks about that and it's to provide active leadership in areas of interest for the traveling public. We consider ourselves leaders in representing our various groups, whether it be Company B members, whether it be travelers, whether it be insurance—our insurance clients. I think the things we always—when we're sitting there drafting them is, "Is it truthful, is it reliable, is going to uphold our main—see, we consider trust very, very important here. People trust Company B and it has taken many, many years to build up that trust in our organization. So, when the news media comes to us for information on a crisis, when our members look to us and say, "What are you guys doing about this," we know that they're trusting us to give them the best information that we possibly can and the most truthful information. So, that's something that we definitely, probably hold to the highest esteem when we're developing these kinds of messages. It's that they're trusting—we know that

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they're already trusting us for this information. We need to be able to give them reliable, truthful information back that's going help them, somehow. It's always helping our customer, providing them service. Whether it's providing them the information that they need in order to make a decision on how to travel, where to travel, those types of things. I think it's those factors that really guide us. And, I think too, going back to the conversation about our partners and who we do business with, again, if we can't trust them to take care of our customers—it all comes down to an issue of trust for us, for Company B. And, that we need to make sure that we maintain that high image or high level of trust with our customers and with our different publics. With the news media or whoever, that they can trust us to get the information that's going to be accurate, truthful, reliable...that kind of thing.

Speaker 1: You mentioned trust, you mentioned truthfulness and you mentioned sales. Do those three things always go together or are there times when you have to say, "Well, wait a minute...we're going to tell the truth but we need to tell the truth kind of this way"? Do you ever have to take into account, "Well, wait a minute," you know, "We can say this but the impact it might have on sales, maybe we shouldn't say it that way." "Maybe we need to say it more like this," even though, perhaps, both statements are true. Perhaps one is more true but it's the blatant truth. You know, we have to, at times say, "Wait a minute," you know, "This may do something that we don't really want to do."

Speaker 2: I think, sometimes, there might be an issue of a non-agreement because, I mean, in public relations we tend to always want to be truthful and honest. In sales you might see a little bit different. I guess the one example that is coming to mind right now is, uhm—and this isn't just an local issue but it's an overall Company B issue. But, it's the issue of cruise line safety. Our national public relations committee had advised or had suggested that we come up with some cruise line safety standards that all cruise lines must adhere to in order to be our preferred vendors or partners. And, the travel folks came back and said, "Well, you know, maybe that's not such a great idea because we might have some cruise lines that may fall short in a couple of areas," or for some reason or other. So, we kind have had a little bit of a struggle there because we thought, "Well, if they fall short then maybe we shouldn't consider them. And then, they're saying, "Well, there might be cases where they might fall short but maybe not all the time." So, it was kind of a tug and pull relationship as far as what we thought was right and what they thought was right. I think we came to some middle ground on that issue. We had agreed to not go as far as where we wanted to go but kind of somewhere in the middle as far as that whole issue of cruise line safety and what we expected of our partners and those types of things. That was a compromise, we had to compromise on that. It wasn't something that was going to, you know, I think it was a livable compromise, but the only thing we're concerned with, you know, from a PR perspective is the "What ifs," you know. Because of this compromise, if we find out that, for example, some other cruise lines, you know, are not adhering to some standards of safety and has a terrible accident and some of our passengers are killed, you know, if we would have had this high quality or this kind of thing and maybe that wouldn't have happened, that kind of thing. But, it's hard to tell where that's going to come up, how it's going to play out. We think we reached a good compromise but, you know, naturally we were kind of directing to a

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higher goal, I guess. So, I mean, for sales reasons you have—you can understand their point of view of terms of...from a sales perspective and from a partnership perspective, and a positioning perspective, why we couldn't be that aggressive because of the way the industry works. Because of how it operates. You know, we couldn't cut off our nose despite our face, so to speak. So, what kind of middle ground could we come up with that would take of the situation. So, there are times when you have to compromise. I think that was one specific example where we did have to compromise.

Speaker 1: It's business.

Speaker 2: It's a business, we all have our bottom lines. And, the travel industry, in particular, is a very volatile business and it's changing constantly. You've got airline commission caps, you know, things eating away at the bottom line all the time. You're constantly, you know, reminded of that. So, I mean let's face it, we are in PR, we like to have the image of the good, the truth and everything but we also have to have some kind of impact on the bottom line as well. You know, and what we do will impact the bottom line one way or the other. We have to make sure that it's going to positively impact the bottom line and not negatively impact the bottom line.

Speaker 1: How do you—you keep mentioning the word truth and truthfulness. How do you do that in the public relations department? How are you building that truth and truthfulness? Do you make that a—something you try to do everyday? Or, is it just built inherently into the system here at Company B that it automatically happens? Or, are you all trying to really go up and build those relationships with the media and trying to really build your relationships with your customers, and your sales agents? Is that something you actively have to do or are you able to rest a little bit on the reputation of Company B that's kind of been built up?

Speaker 2: Are we talking truth or trust?

Speaker 1: Both.

Speaker 2: Both.

Speaker 1: I think they kind of go hand-in-hand, I would say.

Speaker 2: I think the issue of trust is something that's very inherent in the organization. It's something that we've happily or luckily have been blessed with since its inception, you know. It was founded on the basis of a public relations organization, basically, people who wanted to travel and it kind of snowballed from there, you know, we still do those kind of things. But, we became the trusted organization for that kind of information. So, I think it's an ongoing process. It's something that we've just always done. We've always been the organization that people can call to find out about things that relate to transportation. We get all kinds of just off-the-wall calls you wanted to believe from, you know, John Q. Public out there says, "Well, Company B needs to do something about this," you know. "There's a problem and Company B needs to do something about this because it's been there for five months," you know. Because they trust us, they know this, "Well, Company B will take care of it, Company B has got the power to do that." And, that's a good position to be in, you know, because they look for us as their representative, basically. "They represent me in getting things that are important to me done." That's a really good position to be in.

Speaker 1: Yah, yah.

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Speaker 2: But, it's just an ongoing, I guess, relationship with our customers, our members and our clients, you know in building that trust. We have, around here, we have a way of life and that providing unsurpassed service to our customers. Everything we do we need to provide unsurpassed service and if we don't we hope to hear from that customer to make it right. Sometimes our customers don't tell us when we don't provide that service. We can't make it right otherwise. When they do though, we do. We do what we can to make it right to make that customer happy again, to apologize. If we've done something wrong we're first to say, "We really messed up here," you know, "We didn't provide the service you expected and we're sorry." And, "Here's what we're going to do to make it right for you," you know, I mean that's part of the business. That's something we do ongoing. And, with the media, I mean, our media position is that we're available, you know, seven days a week, twenty-four hours a day to serve them. We're there and we're a conduit of information. We're proactive with them, we find information we think will be helpful to some of our transportation riders, we send it to them and say, "We think you might be interested in this." We do interviews on Christmas Day, you know [laugh], I mean because they rely on us. It's an issue of reliability and anybody who works in the business knows that if they can rely on you to be on the spot with them when they need you, when they want an interview in ten minutes, that they'll keep coming back to you for that information. You develop a relationship with them.

Speaker 1: I'll take you back a little bit to kind of change the subject again. You mentioned the safety board and some requirements that you guys wanted for cruise ships. And, you said, 'Well, there's what if, what if, what if, what if,' have you started planning for those "what ifs"?

Speaker 2: On pieces of paper, no. Nothing that's written.

Speaker 1: But, you're aware of them, I guess [laugh]. You're thinking about them.

Speaker 2: Yah, well I guess that's always the thing, you know. You're kind of...it could be like an airplane crash, you know, you're aware of that. Eventually it might happen, you know, another cruise ship might run aground. You kind of build on your past experiences on those things. Unfortunately, I have a disaster file that I keep—whenever we run into a disaster like an airplane crash, for example. Instead of reinventing the wheel, I look back at what I did for the last airplane crash. Say, "Okay, what did I do, did it work, is there anything I can do better?" Even some of the same message points, you know, we used because it hasn't changed. It may be a different airline and a different set of circumstances, different place it crashed at, but it's still an airplane crash. So, a lot of the same things that we said with the last ones still apply to this one. So, I guess that it's using those past experiences and dealing with the situation as quickly as you possibly can at that moment.

Speaker 1: Can you give me just a rundown of your experiences in public relations—meaning, you know, where you've worked, where you've been for amounts of time? Maybe your education background as well.

Speaker 2: Okay. I got a BA in Mass Communications with a degree in Public Relations from the University of South Florida. I started out at the Tampa Tribune working on the City Desk. I was there only about a year—I just did that so that I could get some



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experience and so that I could understand how the newsroom worked. So, when I went to apply for that job I told the editor that is what I wanted, I was going to be in PR but I wanted to understand what you do. So, they used to tease me a lot in the newsroom [laugh].

Speaker 1: I'm sure.

Speaker 2: You know, but it was a great learning ground, great experience. And then, from there I worked for Hill and Knowlten here in Tampa. I worked at Hill and Knowlten for about a year and then I was offered a position at the hospital headquarters. And, I worked in the public relations department as what they call a special projects coordinator, but it was basically managing different projects. I worked for them for five years. And then, I was offered the position here at Company B and I've been here at Company B for six years. So, I graduated from USF in '86, so since then, for a good eleven years, twelve years now [laugh]. I guess that accounts for those twelve years doesn't it. So, that's where I've been. I haven't been a person that has done a lot of job jumping. I tend to kind of stay put if I'm happy with where I am.

Speaker 1: Just to kind of finish up. What would you say is the most important aspect of public relations and what you do in relation to crisis management?

Speaker 2: I think, uhm, accessibility to executive management is really important during a crisis and how they view your opinion. And, how they view your expertise in handling a crisis is really important. At the hospital it was a little bit of an uphill battle to get them to except our way of, we thought, the way things should be done. Because we didn't have that kind of accessibility to upper management. And, it was kind of tough to go there, whether we thought we were going to be able to pull it off because of dissenting voices that thought this was the totally wrong idea to do this, you know. And, it was battling their legal department as well. The legal department was after us saying, "Oh no, you can't do this, are you guys crazy?" You know, it was a lot of battles there. We finally won out but it was a lot of work. Here at Company B, it's a little different because we've got the top person in our department is a part of the executive management team. He reports directly to the President. His voice is very heard and very respected and so in times of crisis he's usually one of the first people the President calls on to say, "This is the situation, what do you think we should do to handle it?" He, in turn, assembles his time which is usually just me [laugh] a whole team! You know, and we discuss, you know, we kind of brainstorm, "What do we want to do, how do we want to handle this." But, I think it's that kind of trust and that kind of accessibility is really important as to how the crisis is going to be handled. I've seen other organizations where their PR counsel will go in say, "I really think we need to do this," and the President just doesn't listen and says, "No," you know. The whole thing just goes screwy. And, if you've got that kind of trust with the top guys and they trust you enough to call some of those shots and make those decisions, then your jobs—our jobs, I mean, my job is so much easier knowing that when these things happen I have that kind of relationship with those folks. We can get things done and not have to argue too much about it. You know, that they accept us at our word and they trust us enough to know that we really think this is the right thing for the organization. I think that's key.

Speaker 1: Great. Do you have anything else that you want to add?

Speaker 2: No, I don't think so. We covered a lot of areas today, that's for sure. [End of interview]

## Appendix C.

## Transcript of Interview with the Assistant to the Vice President of Corporate Communications for a utility company -- Company C.

Speaker 2: ...it's not a concern to me. (Question was whether taping was okay or not)

Speaker 1: Right. I'm at Company C.

Speaker 2: Company C.

Speaker 1: Great. Thanks for meeting with me today.

Speaker 2: It's my pleasure.

Speaker 1: I want to talk to you about crisis management.

Speaker 2: Okay.

Speaker 1: Specifically, how you as a public relations practitioner conduct crisis management on a daily basis, or a monthly basis, or however you deem.

Speaker 2: We have to, at this company because of the nature of the businesses that we operate, we have seventy-seven subsidiaries of Company C. I'm the Assistant to the Vice President of Corporate Communications, Chief of Company C's News Bureau and the principle spokesman for all subsidiaries of Company C. That would include many, many other companies. When you serve in that position and you have global businesses that operate in other countries, foreign countries, and you have to be the principle media contact, the first line of offense and the first line of defense for a large corporation of this type and its many subsidiaries; you have to be thinking potential crisis for every subsidiary and for every business, every day, every minute of the day. What I have done is develop broad crisis communications, emergency response plans for each of the major businesses based on the kinds of emergencies that I first analyze. Which can occur, for example, we operate mines in Tennessee and Kentucky. What if there were a mining disaster, people buried underneath? I'd develop a plan that would show how we would coordinate our emergency response information to the national media who would be covering it as well as the local and regional media who would also be covering it. To give you an example, if there were a problem at a mine, most likely I would fly to that particular location and I would handle the on-camera, instantaneous response information. And, I would set up an agenda or timeline and tell the news media that every so many hours, every three hours, every two hours or every hour, we would provide an update to the best of our ability. I would then activate three or four people in our corporate location here in Tampa to supply the greater depth information, the background information, the historical information. I'm the expert on camera. So, if on-camera is required, if Mr. Koppel at ABC News wants an interview its got to be me, but that's what I would do. Now, to bring it to a local level, here at Company C we're a service industry. We provide a service or product, however you choose to define it. A

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service is something that everyone uses, most people take it for granted, everyone is happy unless they're paying an extra large bill that month. But, the bill doesn't, in and of itself, cause most people pain. What causes most people pain is when they go to use our service and it isn't available. When you don't have our service, that's when you become very upset with Company C. So, our plans here deal with critical events, tropical storms, hurricanes, critical freezes that would create demand on our service that we can't possibly meet and things of that nature. And, our plans are all graded in steps. First of all, we know all the news media, but more importantly, all the news media know me. I'm probably one of the best known media spokespeople in the entire State of Florida, and throughout much of the southeast and certain parts of the country and world, because I am so accessible and my name is out there so much. But, what we do in all of our plans is first, identify what the potential crises would be that could occur should there be a genuine emergency. After we identify the crises we identify how we will handle those crises. Some crises may be minimal in terms of impact. Others may be major. If there were an instantaneous loss of service to our system we would phase in our information to the public so that they would know that we are rapidly working on it. And, we would also give them a preliminary forecast on when we think our service may be returned. Or, if we don't think our service may be returned we would be providing them with information of what I call the second level which is, "What would you do if you didn't have our service," since no utility can guarantee it. For example, do you have back-up plans? Do you have a severe health problems? Because of your severe health problem, shouldn't you have back-up plans? Do you have adequate systems to run your back up plans, and so on and so forth. So, we do all of that in order to give customers the back-up information that they need to operate in the event that there is a major problem with our first function which is providing our service. We do the same with our other utility companies.

Speaker 1: Can I ask you a quick question?

Speaker 2: Sure.

Speaker 1: It sounds like you're saying that most of your crisis are dealing—would you define a crisis for Company C as when you can't provide your service? You know, how do you define a Company C crisis?

Speaker 2: Right. I would define a Company C crisis as a situation in which our service was suddenly not available to our customers. And, most of our customers were without our service for a period of time longer than a half-hour outage due to a storm. In other words, the sustained, lengthy outage with no service so that it impacts on various other functions as well. Like that which occurred in San Francisco very recently. But, fortunately we haven't had situations like that or even approaching that since a Christmas freeze where I was the point-man, not only for my company but for the entire State of Florida.

Speaker 1: Can you tell me a little bit about what happened and what happened in that event?

Speaker 2: Sure, sure. On Christmas Eve, there was a cold wave that was so powerful, so cold and with wind chills in the—with thirty/thirty-five mile an hour winds sustained, with wind chills that created low 20 kind of weather effects. Twenty

## Appendix C (Continued).

degrees/Twenty-One/Twenty-two degrees. And, it was sustained over two/two and one half days. This chill was so cold along with the naturally cold weather and it occurred before real winter began. It occurred on Christmas Eve, not in January or February when the typical cold weather occurs in Florida. Consequently, there were—the entire southeast was forced into rotation of their services. We would affect a certain area and then switch it to another area, then switch it to another area and then another area. But, unfortunately it was so cold and demand was so up that we basically had people out for hours. We could not rotate it then. Back then, we did not have all of our service systems on an automated basis. About sixty percent were. The rest we had to go to manually. On top of that we were seeing cold weather demands, that's the demand for our service that weren't anticipated for four years or more. And, so Company C was in active sustained, rotations but they were really extended service black-outs. So were other Florida companies. They were getting cold weather they had never imagined getting in south Florida. So, most of Florida was in rotation. Part of Texas were in rotation. Parts of Georgia were in rotation. The southeast and the middle south of the United States of America was in a deep freeze. And, the service utilities were really, really troubled by the lengthy cold spell and the fact that they were seeing demand on their system that they never would have imagined, never could have calculated in any plan that they may have had to address that. It was out of date when that weather came true. It was truly bizarre weather. You had two and one half days of very, very cold weather, icy cold weather. You know, we looked at projected lows around thirty-two/thirty-one degrees in a typical winter. But, when you get down into twenty degrees with wind chill that deep and that sustained it's going to create demand like you've never seen before and that's what happened then. And, of all times, during a holiday. So, that created a bonafide crisis for our company—for many utilities throughout the southeast. But, we responded very quickly, we told customers what the weather did, what was going on. We told regulatory agencies, county commissioners, water authorities. And, the public service commission was obviously very concerned since that's the regulatory agency. So, the public service commission asked the state-wide utility association, the Florida Coordinating Group, the FCG, to develop a comprehensive state plan that would address the concerns that occurred. Everyone who got burned, due to the freeze, said they were not told up-front, or in advance what possibly could happen. That's not true, though. I was on vacation at that time but I got a call from the Tampa Tribune at home. And, I told the Tampa Tribune what the potential concerns and implications were of a deep freeze, including the possibility of service rotations. And, they summarized in one sentence and put it on the jump page and made no big deal out of it. Consequently, although I gave them the information and although they reported it in one sentence, they never followed it up. But, we did some fore-warning, but that was the kind of disaster it was. So, I was a member of the FCG Public Information Committee, which was a utility association tactical committee. And, I helped to write, author and I essentially co-wrote the state-wide emergency response plan which is the one that's on the internet. And, it takes—it has various steps. The first approach is an advisory. That doesn't require formal action. The advisory simply gives the utility an opportunity to say, "Do to super-hot or super-cold temperatures," depending upon the time of year, "we project that

## Appendix C (Continued).

our utility services could be somewhat tight.” “If they become critically tight we’ll let you know, but we just want to give you information to know that the temperatures are way up or way down for the normal time of year.” “That could put a strain on our services.” Or, instead of temperatures it could be a particular utility in a certain part of Florida, all of whom are interconnected to one another on the state-wide grid, as having a problem. “We wanted you to know that because that could create a problem for us.” So, the advisory level is stage one. And, that’s really an informative level but not an active level. Phase two, the alert stage is the first active level. An alert says, “We are officially declaring an alert.” “This is to let you know that in order to prevent an emergency from occurring on our system, we are asking that you all,” all customers, “reduce your utility consumption,” and then we provide ten or twelve ways in which that can be done. And, we ask customers to do that and we tell them that if they don’t do that then we can be thrust into an emergency. The third phase is the emergency phase itself. That’s where the utilities a) have attempted to buy services and can’t, b) they’ve interrupted their large industrial customers who are on a low-rate interruptible rate, and we have the right to interrupt them in order to keep the service available for retail customers...small, residential retail customers and small businesses. We’ve operated load-management, we’ve operated service reduction. We’ve done all of these things and there’s still too much demand. Then, we are forced into the emergency where we rotate the customer service. Right now, all of our systems are automated. So, if a thing like that Christmas were to occur now, we pretty much could have customers rotated. Not everyone out, but certain groups followed by certain groups because we can do it at the touch of a button. And, we would probably limit the service outage to fifteen minutes off, fifteen minutes on. So, it wouldn’t be every customer at once, it would be one group fifteen minutes off, fifteen minutes on. And then, it would be another group fifteen minutes off, fifteen minutes on. And, we would rotate it around. But, right now, our plans are very automated so we’re in pretty good shape right now.

Speaker 1: Well, how do you—if the service is going on and off, how do you communicate that word to your customers?

Speaker 2: Well, we primarily....

Speaker 1: I’m a residential homeowner and all of a sudden my utility service starts going on and off. How do I know that happened?

Speaker 2: Various techniques. Yah, there are various techniques. We can give the information to radio and television. Television can run crawl messages at the bottom of the screen, which they did that Christmas, saying, “Company C. is currently conducting rotating service. Utility service will be on and off every fifteen minutes in various portions of the service area.” And, all of them operate storm-watch or some kind of active program in order to pump that kind of information to their viewers, listeners, whichever. And then, you also have the emergency broadcast network in Florida. And, there are two stations identified as part of the EBS system in Florida. And, then you have Baynews Nine, a cable station. It will also supply its weather updated and event updated information every nine minutes, live. So, there are many ways for the message to get out. But, as long as it is not a sustained service outage, it shouldn’t create much of a problem. And, we’ve done an awful lot of work in our company to automate the

## Appendix C (Continued).

system so that we can maintain a fairly balanced, fairly minimal service outage should rotating service be necessary again. But, with our reserve margin in place the way it is, we have one of the largest reserves in the state. We would really have to see some bizarre weather and have some of our largest units trip off-line for unexpected reasons to be thrust back into rotating service because, technically, we're in pretty good shape now. Speaker 1: Okay. So, you've done a great job of identifying the crisis plan and that. Now, how about on a daily basis. I mean, you've said you have, uh, I forget how many subsidiaries....

Speaker 2: Seventy-seven right now.

Speaker 1: How do you keep track of all seventy on a daily basis? Or, what kind of actions do you do to prevent crises from developing? Or, how are you managing all these companies? How are you doing that?

Speaker 2: Sure. I develop issues management papers for the different subsidiaries. I pretty much know what all of their business plans are. And essentially, I have to know what their business plans are because I need to know what new countries are they going to be building products, plants, or services in. I need to know who their business customers are. "Who are you meeting with to sell a certain product/service/software or process?" And, so by knowing the business plans, by meeting with the senior management with those companies on a monthly basis, and by having them send me, either through interoffice mail on the computer or in written form via interoffice memo, their most current business focuses or strategies, I'm able to stay on top of all the companies. And, I can anticipate, based on what I know they're doing, what possible problems they might come into contact with based on what they're doing. For example, they could be working with a brand new business that has no capital—that says it wants to buy a certain product that they have created but may not be able to afford it. And, I can anticipate what the implications of that are. So, what I do is I take all the business plans and then I analyze them. I know what they're doing and what they're attempting to do. And then, I take a quick look at what potential negatives or adversities could occur based on that business plan. And then, I provide them with a list of things that can go wrong and then a list of DRQ's, is what I call them—Dirty Rotten Questions. And then, I provide, not only the dirty rotten question, but my answer to that dirty rotten question to them. And then, they call me back and say, "Well done, I appreciate the information, we'll be very careful to not have any of these problems occur." "But, if they do occur, we like your answers to those questions." So, that's the way I work it.

Speaker 1: Basically though, your focus is from the crisis communication aspect?

Speaker 2: Part of the time. It's not my primary focus. My primary focus is just simply being the chief spokesman, chief publicist, chief promoter, chief offensive weapon and chief defensive weapon for Company C and all of its subsidiaries. But, I do spend about eight percent of my time, roughly, analyzing potential crises. What they might be, what could happen, what the media implications would be, what the likely questions would be, and what my answers would be. And, I provide that information to all the companies.

Speaker 1: Can you expand how you carry out these role of chief offensive and chief defensive line for Company C subsidiaries.

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Speaker 2: Sure, sure. I'm automatically the chief defensive weapon for Company C and its subsidiaries because I'm the point man. If there's a particular business of ours that is now the subject of a media inquiry, the call comes to me. And, if the news media—whomever, nationwide, globally or locally or regionally, has a question about Company C or its subsidiaries, they have to pose it me. That gives me the opportunity to answer the question. And, I'll answer the question, typically, because I have vast knowledge of all the businesses. I don't very often know what the—need to ask what the answer is to the question. I typically know the answer to the question. So, with power and force that the news media rarely see, they can pose a question to me and I give them an answer in greater depth than they ever imagine getting on the spot. So, I'm able to answer questions rapidly, and quickly in greater detail than the media understand in the first place. Or, even anticipate. And, I think I shock a lot of the news media that don't know me. Now, the news media that do know me know that I'm able to do that. But, the media that come from around the country or around the world that don't know me are usually surprised that I can do that. That I can give that much information because I am the person that they have to call to get information. So, that makes me the first line of defense. The first line of offense is that I'm so well known and so accessible that the news media around the state, throughout the region and in certain parts of the country and world, that I've built-up relationships over time. So, if I want to encourage a particular medium to do a particular story or a series of stories, or kind of story, I can very often get that done because I'm well-known, well-liked and have high credibility. But, that's a relationship process that you have to start early and sustain over time. You can not do stupid little things like favor one media over another. It will get you in trouble every time. You'll have one friend and one enemy. So, you have to do the appropriate things, but I built-up so much credibility through my accessibility and relationships over the years that if I want to encourage a particular news medium to do a kind of story, I can get it done. I've been interviewed by Geraldo Rivera, Ted Koppel, ABC's 20/20, so I do have relationships nationwide as well as locally. So, for me, it's not too difficult to generate stories along the lines of a publicist. Although, I'd say the majority of my time, about eighty percent, I'm simply reacting to inquiries about our subsidiaries.

Speaker 1: Now, what happens if you're not here?

Speaker 2: I have....

Speaker 1: I mean, God forbid, something happens to you on the way to Orlando or whatever, and these queries are still coming in.

Speaker 2: I have five back-ups who will back me up. Now, the disadvantage for them is they are not as up-to-speed as I am so they can do two things. They can call certain subject matter experts in the company who could give them the information that they need to answer it. Or, they could call me at home. Or, call me in Boston or wherever I am.

Speaker 1: Say your unavailable. You're laying in a coma on a—a two-week coma [laugh].

Speaker 2: Right. If I'm on my way to another place or gone, they would have to go to subject matter experts in our company. And, because they're still communicators, they



## Appendix C (Continued).

would interview the subject matter experts in the company and the subject matter experts would tell them, "Well, here's what we're doing," and then they would develop a response based on the information they get from the subject matter experts. And then, they would provide an answer to the media. But, I already know the answer so I don't need to do that.

Speaker 1: Right. Well, do they know who those subject matter experts are?

Speaker 2: Yah, I provide a list.

Speaker 1: For all the companies?

Speaker 2: Yes, I've provided a list of all the principle subject matter experts for the different subsidiaries. And, within Company C. So, I have a subject matter expert list. But, usually my name is at the top of that list because I already know the answers anyway.

Speaker 1: Great. Let me flip over the tape real quick just in case we're getting close. I guess we're not getting that close. After the Christmas crisis, what happened afterwards? Was there a lot of fallout, were there reputation problems for Company C? Did you do any post-crisis actions with customers or with businesses? Maybe you could explain those.

Speaker 2: We did. Yah, we met with all the large businesses. We also called a press conference, roughly one week after, to explain in-depth to all the news media that I was able to organize, exactly what occurred, why and what we intend to do so that it won't occur again the same way. I had twenty-three news media, about eight cameras and many print reporters and several radio stations there at that press conference. And, I spoke, the President of one company and the President of our holding company spoke. And, we all answered questions about what went on. Why it created such a vast problem. And, we also went out of our way to explain how other utilities and other states were similarly impacted. We let the media know under no uncertain terms that this was not a Company C problem. This was a multi-state, multi-utility problem. And, by doing that we were able to get the information out that this happened all over the place. It wasn't just in Tampa, Florida. Secondly, we told them that we were about to make some changes in our system that would give us a better ability to minimize the pain of rotating service. And, that we had a two year plan to automate our entire system. And, we did it in one year and a half. Every system is now automated. So, it has been for many years. So, we knew that if we could automate all of our systems by computer that instead of having to send dozens of crews out to all the system stations to do manual tweaks, we could now just press a button and drop so many systems and then so many systems, and truly rotate them. Without automation it's impossible to rotate it in a— with minimal interference to the public. So, we did that, we took out an advertorial in the newspaper and explained, in-depth, what went on and our regret for the inconvenience that occurred. And, also took the time to remind them that it wasn't just in Tampa, it was throughout the State of Florida and throughout many other southern states.

Speaker 1: Did you do it through mailings to the customers as well as the individual, you know, homeowner user here.

Speaker 2: Yes.

Speaker 1: I think you have a monthly flyer in your bills.

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Speaker 2: We have an open lines bill stuffer and we put in information in open lines in our bill stuffer. And then, we told them in the bill stuffer story right after the freeze that we would be making a number of changes and that once we've done these changes we would notify them again. And, so twice a year following that, we would insert stories showing the progress that we had made in solving the problem. One thing we did was that one of our plants was essentially off-line. It was on standby reserve. So, we told customers that we would rapidly bring the plant back on-line and use it as needed and remove it from reserve. And, within a year we were able to do that and we had an open-line story about that. So, we would use every new thing, every new twist that we did as a reason to tell our customers via their bill-stuffer statements that we're making good progress. Also, every time that we did a story like that in our customer newsletter, I also generated a story in the local news media—either in the St. Pete Times or the Tampa Tribune. So, as the information was being released via the news media that found the story hot for two years, we were also inserting a story in the customer bill-stuffer. So, we got customers internally and externally, and it worked real well. Within two years our favorability audits were right back to where they were prior to the freeze.

Speaker 1: Okay. [End of side 1]

Speaker 1: ...well then, since your favorability audits were up, it took two years to recover, what happened to them right after? What's kind of an average favorability audit and then where did it drop to?

Speaker 2: Yah, it dropped about fifteen percent and, once again, price was not the issue. It was reliability. But, for other utilities, they never released it publicly—we didn't either. But, they told us that they dropped a lot more. Ours only dropped fifteen percent because we were talking. In fact, throughout the State of Florida in 1989, I was really the only utility communicator talking to the news media, statewide. In fact, most of the media were in my home. So, because I became accessible, offered to be accessible and worked around the clock during that Christmas freeze, and I really did. I was doing radio interviews at three in the morning and four in the morning. I mean, I was drinking coffee non-stop. I wasn't sleeping throughout the majority of the crisis. But, by being accessible even though I was the messenger and they wanted to kill me, at least I was accessible. At least I was feeding information to the public. And, this helped. There were other utilities that were silent. And, the silence, I think, really disturbed their favorability ratings. Also, because we communicated aggressively after the crisis was over. And, in multiple-media and in multiple-fashions, internally and externally. And, also aggressively expanded the work of our speakers through our speakers bureau at the time so that we could have speakers ship their topics from computers or whatever to what happened in Company C and how are we responding. So, we had many speeches being given throughout the two thousand square mile service area. So, we did it in a multiple fashion. Formal speeches, unsolicited speeches, external news media stories and internal bill statement stuffers. So, when you reach them through all these media, ultimately, the public began to realize that it wasn't just us, it was much of the Southeast. And, that we're making changes rapidly so that it won't happen again. And, fortunately it never did happen again since that Christmas. So, we met our goal.

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Speaker 1: What do you think or what is the reason, possibly, why Company C decided to take that approach and other utilities didn't?

Speaker 2: Because we....

Speaker 1: Why did Company C decide or how was it decided that, "This is what we're going to do, we're going to be up-front." "We're going to tell people what happened."

Speaker 2: Because philosophically, we've always been very up-front and very accessible to the news media. I don't think the company was accessible to the news media as much until I came to the company. But, when I joined the company in the late 1908s I made the media very accessible to me and made myself indispensable to them because I knew exactly what I needed to do to get them in our corner and on our side—to the best of my ability. Always there will be some media that will not be that way, but the vast majority of the media I made that way. Also, we cared enough to develop a series of emergency plans for our various companies—the ones that interact with other customers or provide a service or product that could be threatened under some scenario.

Speaker 1: Was that driven by the CEO down or was, you know, how did all that come about?

Speaker 2: That was really driven by the board of directors who are comforted by the fact that we have plans in place in case certain problems occur. It flows from the board through upper management and into the company. And, if I don't write an emergency plan for a particular area of the company it's sent in on the drafting event plan and I provide them with media guidance. But, I don't have to write a lot of the plans. I do have to write the media component which is a large portion of the plan but not the entire plan because I'm not an engineer, I don't work in the technical arena. But, I do provide them with the public interface portion, the media analysis portion, and the media implications portion. And, I do that for all the plans that have been drafted. But, we've taken a serious look at possible crises and what the likelihood of the crises is. We weigh them, grade them, and then we make a determination as to how we should coordinate or handle the outflow of information from the crisis. So, we're a company that looks at the whole issue of crises responsibility. There are probably other subsidiaries that pretend that if they don't look at it, it won't happen. And, those are the ones that get burned.

Speaker 1: Alright, I wanted to follow-up on that board of directors. So, if it has to flow through the board of directors and then through upper management, does that kind of slow down the whole process? Or, is that a hindrance?

Speaker 2: No, not at all because the board says, "We need to have crises plans in place. The Chairman and the President of the company will say, "Let's see what crisis plans we have, let's identify any additional ones that we need," and then a directive goes to every departmental head throughout all the various companies. "What crises plans do you have in place, what crises have you identified?" And, I'll sit in on a number of their little meetings to potentially identify other crises they haven't thought of. But, most of the familiarity with the particular operation comes from the department heads of those companies. So, they can identify logical crises. I might be able to expand it to, maybe some other crisis that they haven't thought of. But, if they've already identified the crises and I agree, those are the critical issues that can occur. That I provide the media expertise and the public implication expertise that flushes out their plan for them.

## Appendix C (Continued).

Speaker 1: Do you practice any of these plans or are they reviewed?

Speaker 2: Oh yah. We have many plans that we test all the time. The plan that we test most often is our cold-weather rotation plan. We test it via the computer. We do it in a way that the public doesn't see it. We test the functions. We also test an emergency plan with the Coast Guard and with the United States Environmental Protection Agency and the Florida Department of Environmental Protection. So, we have an emergency response plan that we test-out once a year.

Speaker 1: Are all those agencies involved at the same time?

Speaker 2: They're all involved at the same time. It's a once a year drill and we do it. So, we test-out several of our plans. We don't test-out all of our plans but we have a plan in place in case an event occurs.

Speaker 1: Okay. I think I heard you saying, and you can correct me if I'm wrong, but I think you're attributing a lot of the success that Company C's had due to the relationship that your department has been able to build with the media.

Speaker 2: I would say a good fifty percent of the success and the favorability that we've had has been the positive media that we've been able to stimulate by virtue of twenty-four access that we provide. And, by virtue of being a full resource of information and a significant help to many media that are following-up on a story for which they have no information, and need a way to get it and we provide it. So, I think fifty percent of the favorability is that. The other fifty percent comes just from the visible role that we play. The leadership role that we play. The free services and corporate contributions that we make to industry associations, non-profits and the leadership that our senior management plays throughout the community. You know, on United Way, Boys and Girls clubs and that sort of thing. But, a good fifty percent of it, a good half of it simply comes from the favorable press that we get for the role that we play.

Speaker 1: Well, how did you build that relationship with the media? You got here in the late 1980s and then you had a Christmas crisis. That doesn't seem like much time, really.

Speaker 2: Yah. The moment I got here, I introduced myself to the news media. I told them that there would be a few changes in the way that we would conduct our media communication. That instead of having to pull teeth to get information we would provide as much as we can as quickly as we can. And then, I spent the next couple of years reading up on all the companies to really get to know them well. And then, beyond that time I've been exposed to every new business that has been created because now we have well over seventy. And, when you have knowledge, you have power and that's basically what I was able to do. But, it's much more—my credibility is much higher than many other utility communicators because unlike many of them when they get a question they may have to call somebody and get the answer and then call the media back. I would say that ninety-five percent of the time I can give the news media my answer. And, I know what the answer is already. That's the advantage I have. When you have that kind of credibility you mix that with accessibility, you do have power.

Speaker 1: Yah, now I just forgot where I was going to follow-up [laugh].

Speaker 2: Sorry about that.

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Speaker 1: No, that's alright. That's exactly the kind of thing I was looking for. I guess my next question is kind of who gave you that power? Or, how did that power come to be in this position?

Speaker 2: It came....

Speaker 1: Because I think you're telling me it really wasn't here prior.

Speaker 2: It wasn't here prior to my arrival. It came from the deceased Chairman of the Board of Company C. His passing was very sad, he was a great man. He was a visionary and he felt—he issued a directive many years ago that the most important thing that we can do is tell our story and tell it properly to the right audiences. Most control communications flow through me. If it's a very tricky story, it's me. But, if it's a pleasant story it can be me and many others even though I may orchestrate or stimulate it. But, he asked and demanded that all the senior officers of all the companies open their doors to me or my back-ups, but me especially, if I never need them on a breaking news story or a certain problem. So, with that directive issued by him years ago and reaffirmed frequently, if I need information on those rare occasions when I don't have it I can interrupt a meeting and pull a President of a company out of that meeting and say, "What's up with this?" It doesn't happen too often though, because I'm well-read and I know what is going on.

Speaker 1: Now, what is your background then? I mean, what's your education background and public relations? Kind of where were you before you came here?

Speaker 2: Before I came here I was the President of a public relations firm for three and one half years. Prior to that, and I had a number of clients locally and statewide. Prior to that I was doing many different things. I've been—my degrees are from USF in Mass Communications and Speech Communications. I graduated in '73. I've been....

Speaker 1: Are they both bachelor degrees?

Speaker 2: BA degrees, that's correct. I'm a former President of the Public Relations Society of America, Central Florida. I've been accredited for sixteen years. I can put the APR title after my name if I want to. And, I've been a published freelance writer. I've been published, probably one hundred and fifty times in business and lifestyle publications around the country. I've written special news stories for local newspapers like the Tampa Tribune and the Tampa Bay Business Journal. So, my name, over the years, since I've stayed in Florida, since I graduated from college, have been pretty much—I've been out there. My name was well known, well-liked, well-regarded, well before I came to Company C. So, I've been a fixture of this community for quite some time and once I got active in the news media, once they knew me and I knew them, it was easy for me to develop sustained relationships. I would be there even though the media would come and go. So, that's the way I built it up. Strong media contacts based on a long track record of being skilled and effective. And, perceived as skilled and effective by the news media.

Speaker 1: I guess, kind of my last question, unless you have anything else you want to add afterward, would be what would you say is the single most important factor of crisis management from a public relations aspect or perspective?

Speaker 2: I think the most important thing you can do is have a crisis plan in place in advance of the crisis. Even if the plan is insufficient or incomplete, have some kind of a

## Appendix C (Continued).

plan in place. I think the second thing that you need to do is identify a single primary spokesperson. You can have back-up or support spokespeople. They don't even have to be communicators, they can be figures within your companies who can talk about what is going on in a certain level of detail or depth. But, you need a primary spokesperson who delivers the foundation news, either in defense of or support of what is happening to your company. And, you need the go-to guy that the media can get the same story from. The last thing you want in a crisis is one person in your company saying one thing and other persons in your company saying other things. Then you look chaotic, confused, disorganized and then your favorability plunges. So, you need a principle spokesperson who maintains the corporate message, who expands it as needed and that's the best way to control any issue. When you have multiple spokespeople, you have chaos. You don't believe me just ask Clinton [laugh]. He's done a horrible job of managing his current little issue and that's what has got him to this point right now. What he needed to do was he needed to be more forthright and more forthcoming, and do it himself—not through some subordinate press secretary. So, those things happen. You've just got to be up-front. You've got to be up-front and accessible. Even if you put the media on a plan of information. Every hour, every three hours. But, that's the key. And, then if you have somebody who knows what he is talking about and that can provide instantaneous response to a multitude of questions, then you create more credibility. And, if you have a very credible spokesperson, that's even better.

Speaker 1: Great! Anything you'd like to add?

Speaker 2: Nope, that's pretty much it. If you have any questions, feel free to give me a call, okay?

Speaker 1: I sure will.[End of Interview]

## Appendix D.

Transcript of Interview with the Regional Director of Public Affairs for a  
Communications Company -- Company D.

Speaker 1: If you could just, in your own words tell me a little bit about crisis management and how you conduct it as a public relations practitioner at Company D.

Speaker 2: I agree with the definition of terms that you just gave me. That's right on! I was thinking about it coming over this morning—about how we were going to get into a conversation because people look at crisis management differently. But, you've elevated it to the right level by using his terminology, so that's the most important part of this. So, you're talking about the PA function. And, I'll give it structurally for you first and then I'll give you my own interpretation. But, in Company D, crisis management does reside with the public affairs function. And, that's not always the case in many organizations. Public affairs, in a company this size, can stand alone and that's unusual. Smaller companies, public affairs is usually tied and it usually goes one way or the other. It either leans towards policy management, regulatory, government affairs, issues like that which helps with crisis management where it leans towards product, price, marketing. We've always leaned a little more towards regulatory government. And, I started with a company called Corporation X. And, we were merged with Company D around '91. Corporation X actually, their vision was to put it all together. So, as a public affairs person with a title like that, I had everything from the congressional delegation, federal affairs, rate case management, regulatory, community affairs, franchises, all the way to the advertising budget. Now, you know, in a big company that's impossible, but isn't that a beautiful ideal...that you could actually see all those things as a team? Or, as an individual. And, I think the public affairs ideal probably resides in a smaller company, a medium sized business. It could still be a *Fortune* 1,000 but it can't work in a company this size. So, the scope that I'm dealing with is—this is generally a two to three billion dollar market where I'm responsible. We're a twenty-seven billion dollar company in terms of revenues. So, we have a standalone PA function. Our focus—what we do have is direct responsibility is internal communications which includes the electronic platforms. So, when we talk about information management, deploying our resources quickly, you need to know that's a key resource. Electronic communications, all information internally. For us in the Tampa market, that reaches thousands of employees. And, we're one of the largest employers. And, I think in the State of Florida we're in the top 25. The other thing we have is economic development, hard-core economic development. Marketing and selling our areas, working with economic developers, and economic development organizations to research the region. And, that research includes demographics, understanding people's propensity to buy things. What people read, what people do. And, that ties to the third level which is media affairs. And, for us, that's everything from the old fashioned defensive work that most public affairs people do in companies—to forward

## Appendix D (continued).

looking, strategic planning. You know, forming a timeline, trying to merge all the issues together so that we make the right decision at the right time. We need to know what to pitch and when if we do it right. And, as part of that we do a great deal of research. Uh, Gallup poll style. We want to know what people read and where they go to solve their problems, as a consumer, as a business. What they trust. And, that prepares us for crises. So, when there's a problem we know who to call, not just my friend the reporter but whose trusted. So, the Channel Eight on consumer issues for instance, it's the closest thing to consumer reports here. It's a very important position that they hold and we have to understand that. We need to know what time of day people go to them, what they want to hear when they go. So, we even send videotapes home on the news stories. We send competitors videotapes home. If there's a crisis that we think is particularly interesting, that isn't ours but is something we may need to deal with, we'll send that news story to the home. Two hundred and fifty households will get it and we'll have the third part pollster, have a conversation with the people about what they got out of it. Was it meaningful to them? Were they confused? Those type things. So media affairs is a big part of what we do. This is the fourteenth largest media market in the United States. It's the tenth largest consumer market, so it really is a full-time job. The next level, really, is consultation. And, our job is to have the decision-makers ready when the time comes. And, that's a luxury that I don't think a lot of companies get to have when bad things happen. Now, I'll be happy to tell you some examples. You don't have to negotiate behaviors or expectations. You start at the higher level. They've already seen the research, they know where we're supposed to go. They know who needs to be informed concurrently. They understand what full disclosure means. They understand what the employees have at stake. They understand what the union wants and then we're ready to go. And, the ideal is that you can turn on a dime and that's not always the case but you put all those things together and it gives a great deal of flexibility. We have a very small team here. We've numbered, since I've been here, no more than a dozen people. But, they're all really seasoned professionals. The best of them are the people that grew up in the company and decided that their skills were in public affairs—not the other way around. I'm sure there are great journalists out there who could come in and do those things but I really cherish the people who can climb a pole. Kind of like, in the military if you had a signal corps person who became a public affairs person, that's kind of cool. So, I really value communications people who have this PA confidence.

Speaker 1: Can you tell me a story about crisis management? You were just saying you would give me an example of how you were able to quick turn and what kind of process. Give me the process.

Speaker 2: I'll give you the best example where it really works because it doesn't always work. These things are so messy sometimes. And, the reason it works is because, I agree with your definitions but everything we do anticipates a crisis. So, if you treat a day and treat issues in a crisis form, they're not really crises but I if you treat them that way then you've taught the right behaviors for a senior team. So, I'm going to tell you this story abstractly. I've worked all over the United States, this happened in our company but it could have happened anywhere. So, one day an auditing team walks in and they've been working for quite awhile on a project. They worked for land and buildings. And, they



## Appendix D (Continued).

are architectural people, engineers, and they've discovered that there may be some problems with the building and the building is a high-rise building. Hundreds and hundreds of people and it's very high. And, inside the building—they're not just people that service the market everyday and provide solutions for consumers and businesses, but they do forecasting. They are doing higher-level things. As a matter fact, there's a lot of broad-band solutions like mapping. So, we've intensified a lot of our strategic planning there, they have great technology tools. And, the emergency services system for the whole market is there too. And, it's always connected to a big-old cluster of other buildings. So, we're not talking of hundreds of people, but thousands of people work in and around their building. They come in and they say, "We've been working on this for awhile and it's not structurally sound." Well, that's not unusual to hear in older buildings, you have to reinforce. "What's our five-year plan?" "We're going to have to get the capital together to make changes," and those are the assumptions you make. You pick-up a few tidbits in the statements and you realize that this is something a little more urgent. And, within an hour we're sitting down looking at the results. And, the deterioration, the structural deterioration on the ground, below the ground, is rather serious. And, cut to the chase, after a few minutes of interviews, "Is there imminent risk?" "No, not really but if you had windy conditions it could structurally damage the building and you really wouldn't want to have people around that when it happened." "Well, what would be an example of that?" "A down-burst." So, we're not talking about a tornado or tropical storm, we're talking about a thunderstorm. "Fine, what does it do, rip the shingles, I mean, what does it do?" "It brings it to the ground, potentially." [laugh] And, that's what it does. It "potentially" could bring it to the ground. Would that ever happen in fifty years? Probably not, but the experts are saying, "This comes down, you better watch your barometric pressure on an hourly basis." And, your emergency service system is in there and everything. Within two hours after checking the weather—and we're talking about a giant metropolitan market. You know, core services, life and limb. Within an hour the culture was there where...government liaisons, emergency service liaisons, internal communications teams, supervisors, were all being briefed on the same page, immediately. You know, you think about what's in there, it's extremely complicated. All the messages were integrated and it was full disclosure which was the real beauty of it. And, the media was brought in at the same time. One time story, brief, clear—nope, nothing missing. Just as clear as a bell, there's nothing to come back to. Employees were the key because there were hundreds of them and the sense—trust is the most important part of that. And, the key was that a company valued life and limb over the budget because I think a lot of people would have gotten a balance sheet out at that point. You know, you really can't watch the barometer, you don't have to do anything. But, we exited immediately and even built a crosswalk to the emergency service systems. It had to be monitored so we could watch the barometer and walk back and forth, to do your job. On the same day the transition plan was already in affect to purchase and move the equipment to another location. Very difficult, very time-consuming. These are issues that affect county commissions, mayors and millions and millions of people. Every element was touched in that. And, the reason it worked is because everybody who was a table stakeholder was willing to come to the table within

## Appendix D (Continued).

an hour. You know, with a company this size it's really a hard thing to do but they were willing to do it. All the techniques that you followed were used in that, but this is the best example of dispensing with bickering or distrust and getting right to it. Also, the senior leadership took ownership over it and was, personally, the President of the company, at the table with the employees within one hour after that meeting. Personally explaining, with plans, what was happening and why he needed to take care of business. That was a pretty good one I thought.

Speaker 1: That's great. How can you—can you define that culture for me maybe a little bit more? I mean, you're talking about a, I guess, a way of life for Company D. I mean, is that what makes your crisis management so good?

Speaker 2: We're not really as good as I want it to be. I'm not saying that we're world-class at all.

Speaker 1: Was Company D always that way? Have they always been that way since you've been here or is that something that you've instilled? You know, what are the principles that you....

Speaker 2: I think since they've had a stand-alone public affairs function. If you read all the purist publications, that gave them a chance to take care of the fundamentals.

Employees learn first, media learns concurrently. Most companies only read it, they don't do it. They don't trust that that system works. The right leaders speak, the right subject matters shall be available. You know, you don't use public affairs people to define issues. And, at Company D you aren't going to find my staff out there. You're not going to see them quoted in newspapers. You're going to find the owners quoted. They're more positioners and relationship builders. Now, you look at other companies in the market and they do what we do and you're going to see spokespeople quoted all the time. And, you never get really to the real benefits. It takes away trust, it takes away the tangible nature of what is going on. So, I think they like the real-life benefit, agenda.

And, if you apply that to internal communications, it takes care of the problem.

Electronic communications are managed really jealously because, like any communication vehicle, if you misuse it or overuse it, you waste it, people walk away.

It's just like a mass-comm market when you have this many employees. So, manage internal communications like a mass-comm. And, the editorial board is responsible for leadership. They want to measure trust. I want to apply my Gallup poll techniques to the internal market. "Where do you go to find information?" "Do you trust it so that when we have to turn, when there is a bulletin, electronically or on paper and it says it's important, it really is." So, there's not a lot of clutter and there's not a clutter in the media. You know, there are still companies out there that measure public affairs performance by volume. Seriously. They say, "You're going to issue two hundred press releases this year." It's the most lame-brained thing I've ever seen. Sit down, that's easy. Maybe I should say that would be a wonderful job. Maybe that's the job I want, I'll just do press releases and not measure output. So, they break the trust with the media. They don't measure the value of what they're doing. They just think everything they do is valuable. So, the media doesn't care very much. They don't know how to measure what is important and what is not. And, they treat the employees the same way. "Great new product, great new service, great new benefit," and people start walking

## Appendix D (Continued).

away. There's a downside to that because you have an employee working for us or a media that doesn't know everything. That's not really true. I mean, they don't read all this anyway. So, they see what is important.

Speaker 1: Can you explain to me kind of how you do issues management. You eluded to it a little bit earlier how you treat every issue as a crisis, but how are you doing issues management on a daily basis?

Speaker 2: That's hard because we're a matrix organization—more than ever before. So, you have local legal departments/national legal departments, local public affairs/national public affairs. And, even under public affairs we're matrixed. Media, internal, community economic development, and business partner which is really what I am. And then, nine business units with their own leaders, but we're under one brand. Product marketing, product management, pricing people, cost people, regulatory people. So...it depends on the market. And, this market has more of a Company D presence than anywhere else in the world. So, we have to use our own techniques that are applicable to the media and the people that live here. And, so for us it is trying to at least stay six months to a year out, anticipating the issues. We do everything from policy to pricing. And, it's the weighing that's the hard part. We can get the information and I have a timeline that I keep every week. It goes back three months and it goes forward one year. And, it has everything hitting at one time. And, I know it's coming. And, any given week there could be sixty things hitting at one time. A rate increase, could be a tax issue, it could be a real property issue. It could be a bill in the legislatures. The idea—America is just getting there right now for the PA function. It's really integrated issues management. And, that's hard for departments to understand because it looks territorial, you know. It's not, it's just a matter of knowledge and having the right message at the right time. You know, in the simple level it gives us the freedom to move things over a few days sometimes. Or, when you have...you know, we have to make hard decisions. Sometimes products aren't priced what they need to be and we have kind of a public trust as a form of monopoly. Those are hard things to do. Well, if we find out that there's another product management team with another company that is trying to make a move, well, that may not be a very good idea for the overall brand. And, it gives us the freedom to move things apart. On a bigger picture, we know where long-term behaviors can be affecting what we're doing. So, for Company D, we're involved in the most important legislative session in our history, in Florida. We're going to be attempting to readjust our entire cost position. Local residential customers don't pay anything near what it costs to provide them service. That has been like that since 1934. It's a dandy system. Unfortunately, it's not a monopoly anymore, it's competitive. And so, our competitors are cream-skimming, not really competing but just coming in and taking the subsidizing market away. And, we're left with a deficit. We have to explain that. People don't believe a business runs like that. That's a crisis to me because that's the future of our company. We have to explain that to the consumers, it's a three-step process and they don't care anyway. And, they don't believe it. And, we've got to keep that path as clear as possible because it's true. People don't believe it but it's absolutely true and we've got to get to a point where we can have a bill that's going to create a more competitive market. You can just think of all the kind of things that could be on

## Appendix D (Continued).

the table that create confusion around that bill. Anything related to pricing, anything related to trust, anything related to the credibility of the billing. Anything related to our position as a well-managed business, damages our ability to go in and solve these problems. So, I get pretty aggressive in a situation like that. As long as I have the information I can explain myself. Most companies don't have that channel. I think a company the size—usually, if you have a pricing guy who is incentivized to pick-up a twenty percent revenue increase on three products, he isn't incentivized to share that with a guy like me. He has no reason to do it and I'd say he's disincentived to share it with a guy like me because I can take him back a month. It doesn't belong here, it belongs there. And, we've been able to keep that going. I think that's the best thing we've got going in public affairs right now, you know, it's because our team comes off the ground as communications professionals and not public affairs professionals. "Oh, it's just a PA guy." I don't think I'd have the credibility and my team wouldn't either. They've worked on the ground—I've run a work center, you know, so that I can go to the retail people and say, "I've been there." "Let me explain to you why, in the long run, this is going to hurt you." It's eighty percent negotiation.

Speaker 1: You've mentioned now, a couple of times, the importance of having the team and you know the industry. How much do you think that weighs in the role that public affairs has been given in Company D? You know, it sounds like you have a pretty dominate role in your company. Is that because the people have come up through the ground and they have an understanding of the company? Or, are there other factors at play?

Speaker 2: I think that's part of it. Yah, I think that and the decisions have been bankable. It's a track record—as a department, I think crises have been managed to budget in terms, quite well. Yah.

Speaker 1: Now, are the people from all walks of Company D? Do you want to break now?

Speaker 2: In about five.

Speaker 1: Okay. Are the people from all parts of Company D that now work in public affairs, or are they one from one specific specialty? Uh, you said one was a pole-climber, you worked in a work center.

Speaker 2: Well, I'm speaking, globally, from all my experience in public affairs. Here, I know one guy was a dispatcher, but he is the consummate public affairs crisis management professional. He learned crises management doing a job and not in the classroom. That's why I think it's hard to get real public affairs talent right out of college, that haven't worked. The applied side is so important. One is a journalist, another one—gosh, I think there have been two in sales and marketing that have actually touched the product and benefits. When they pitch a story on a product benefit, they take it all the way to the end-user. When you see our products pitched they fall in the beneficiary. You never see them at all, they're never even quoted often. You see a picture of a young man as a cancer survivor learning from home. He talks about how he uses it and how it has benefited. His teacher talks about it. We're inherently in the story instead of pitching a press release about a cool product with a good price. People read it, they go back to the home and they went, "Yah, I saw that." "It was meaningful to me."

## Appendix D (Continued).

I'm trying to think—well, I'm a lawyer and then I also was in operations and regulatory, too. So, I think I would be valued because I've been in the policy battles enough. I know—I'm the guy that gets to call the pricing people, cost people and say, "I really do understand what you're trying to do, but there's a better way, there's a better time, there's a better message to associate with what you want say."

Speaker 1: Before we break, can you just give me a rundown on your educational background? You said you were a lawyer, do you have a degree in public relations?

Speaker 2: No, I have an undergraduate, a BA in liberal arts, speech, theater and history. Typical liberal arts undergraduate degree and then I have a JD.

Speaker 1: Great. Well, we can break now, you can go to your meeting and we'll....

Speaker 2: Well, if you don't mind I'll take five and this won't take but a few minutes.

Speaker 1: We broke real quick so you could go to a meeting. Can you tell me a little bit about that meeting and what happens, and how it works here at Company D?

Speaker 2: Sure. About a year ago we were watching key indicators, and complaints are a great indicator for any company but it's hard to analyze the information. So, we have—our complaints come through places like the FCC, the public service commission. We have an executive line, obviously, people want to call with, who they view, as the real leaders in the company, when they have a problem. Maybe they escalate, that's the third step. See, that's a terrible sign. And, we have an off-line center where more complicated complaints are taken from our work centers. It's a place where they can take the time to sit with a customer on the phone and work through issues. And, we weren't real happy with the numbers and we wanted to get behind them. We knew we were fixing the problems when they hit those categories for the individual, but we weren't clearing out the process problem. And so, what has happened is—every Thursday morning, the owners, the GM's, the VP's, who are really accountable for all this or should be accountable, have to be in the same room together for about two hours. And, all the complaints are divvied out to these senior officers. And, if it is in their responsibility, they've got it. And, they don't just—if they just come back and say, "I've fixed it, I talked to Bob over in Valrico and he's happy now, he has service," well, that isn't going to do it. They'll throw him out on his ear. What he has to do is say, "There was a hand-off problem, there was an implementation problem," you know, "We moved the due date because there was a glitch in the process." And, the whole purpose, you know, for the root-cause type people is if you remove the real problem out of that and fix the process, it will never happen again. And so, those kind of repeat problems where you can categorize these things very easily, when we start doing that the problems start going away. And so, we have this massive decline in overall complaints—it's very exciting. And, the team, at first, it was very hard for them because, you know, leaders like that are used to saying, "Go fix Bob's problem," well, "Okay, well I guess I have to call Bob myself and I'll fix Bob's problem, make him happy." Now, they had to step in and fix the whole process. And, that's very time-consuming and you have to really commit. You have to follow the outcomes for awhile to make sure it works and you have to hold your people accountable. You have to educate your people on why it's important, you know, to really baby-sit the problem. And, at first, it was very hard but then about four months down the road, everything started to move, positively, all the numbers. And,

## Appendix D (Continued).

they got excited. This team of senior managers who had ownership started having a party. And, they're back-slapping and having fun. They were cleaning up problems that, you know, would have lasted two or three or four years if they hadn't gotten involved. It was just great! And, they're still at it now. And, I just back from the meeting because—PA, crisis management starts the meeting because I get to give the global perspective. I stand-back and say, "These are the developments that we see happening on a global basis in the market." "This is where the media is going to be focused, these are the filings, this is—don't forget the real priority." "In our case it's policy priority, it's not revenues right now, it's policy." "Let's not mess it up." And, they ask me the question, they said, "Are you going to integrate," and I think they gave me things, "in January?" My answer was, "I will if you'll give me the real answers." "I will if you'll tell me what your revenue objectives are, I will if you'll trust me." "I promise I won't sabotage your incentives, but you better tell your colleagues so you'll have a manager of a work center sitting beside the manager of a retail mart, sitting beside the manager of customer networks, beside a forecaster." You know, they don't always know what each other is doing. If not for PA, I don't think they look at each other and say, "Tony, I'm raising the price, Monday, on this," and Tony comes around and, "Well, I'm giving away free phone cards at that location." You know, we do pricing and long distance, it could be anything.

Speaker 1: Well, how did these meetings come about? I mean, it just started a year ago. What move—the company decided to do those?

Speaker 2: It was a leadership decision. Our President said—he's not our President here anymore, he was a systems integrator. His job was to get end-users to talk to planners and IT people. And, he's really good at that. He does it by making everybody have skin in the game, put them at the table. And, he saw the process problem. He stood back. He had a broader field of the vision and he forced everybody into it. He drug them into the table. He says, "Look, I'm not putting up with this." I remember the speech he gave to the whole team. He said, "This is your problem, I'm not going to be accountable for this until you sit down and you understand your own processes and you talk to each other, and we're going to fix this thing!" "If it takes us all day long, twelve hours a day every Thursday, I'm going to give you every darn complaint I get and you're going to tell me what the real problem is!" "You're not just going to fix it for the customer, you're going to fix it for everybody!" It was tough! He said, "I promise you, at the end, you will thank me and this is going to be a pleasure." And, of course, at the end it's a family in there now. They just love what they're doing. So, it was a cultural change. And, I hope there's away to get to trickle down, you know, through leadership messages. Maybe that's my job to make sure employees understand. In a company with fourteen or fifteen thousand people, that link, really is so critical to the bottom line. That's hard.

Speaker 1: Let me flip the tape real quick. I know it's getting close here. [End of Side 1]

Speaker 1: You were talking about a trickle down and I think before we broke you were telling me about the pyramid. Can you kind of explain that pyramid you were talking about? How the—I think you said quality and service at the bottom.

## Appendix D (Continued).

Speaker 2: Yes, a reality check for public affairs. Yes, since we have our own department, the biggest risk is that we become too important. You know, I'm not allowed to aspire to become President of the telephone company—come on! It's not what I do and it's not the competencies that are being developed. But, if you have your own function, you get a little dangerous sitting at the table with everybody else. I'm a member of the team but I'm more of a consultant that's important. So, we have a pyramid, naturally, in public affairs and at the top is all the stuff that we're held accountable for in public affairs. Reputation, brand, integration, trust, honesty, a well managed business. All those messages that you need to compete, retain your customers. But, at the bottom, and this is printed, it says, "Really, you don't have a job unless you maintain the foundation. The foundation is what the guys in the room are doing over here. Quality, service, reliability, the real table stakes. So, I'm measured on—we manage key-leader relationships. I have a database of the top CEO's and I ask all those brand questions of them. We ask the consumers all the brand questions. You know, I'm really measured by all those things, but it says, "Look, even the CEO of the largest company that you're developing a relationship with Company D, isn't going to get anywhere with you unless you're also delivering to him, his perception, quality reliability, fundamentals." "Are you executing?" "Are you taking care of your root-cause problems?" So, all that we're doing in the other room serves public affairs. We wouldn't exist without it. I don't know if that's true for other companies to tell you the truth. For pure marketing companies, that's probably not true. So, we're a creature of the industry. A pure marketing and pure retail company probably could turn that pyramid upside down. It's done all the time. McDonald's probably turns it upside down a lot. And, that's a different kind of public affairs. I guess my perception is that the industry, not speaking just for Company D, but the industry has a public trust. And, we're reported on and looked at differently. We are the incumbent owners of the switched network. America's public network, and that means emergency service systems, that means call your doctor and call you Mom...service all the time. It's the American entitlement. And, below cost if at all possible. The rural markets near here, it costs us one hundred and thirty dollars to provide service. We're charging less than twelve dollars a month. There is a subsidy system that makes that possible, it's really very beautiful...thanks to Franklin Roosevelt. But, with all that trust, that makes that bottom of that pyramid so much more important than it would be for other companies because that's really all they want. We announced a merger recently and we're in our quiet period now so I can't discuss the merger and those things because of FCC regulations, but I can tell you what people said. My colleague in media affairs ran up and he had the tape. The day it was announced, the media does "Man on the Street," because we're one of the largest employers. I mean, people want to know, "How does it affect my life?" "How does it affect the economy?" And, before they plugged it in I said, "They're going to say that I think they're going to say, aren't they?" He says, "Absolutely," because we had done our research, our Gallup polling and they said, "What do you think about this?" And, everybody said, "I don't know, I don't have any problems with Company D." That doesn't mean I don't have any problems like I don't trust them, they just mean, "I have service -- I never thought about it, they're just there."

## Appendix D (Continued).

Well, that's beautiful, that's fine. And, that's that bottom of the pyramid. If that fell apart, then we would have enormous trouble. Our worst day of the year last year is when we had El Nino so we had dozens of inches of rain. That's tough. I think we had seven one thousandths of one percent of our customers out of service on the worst day of E Nino. And, that was brutal, I mean, we were just agonizing over the seven on thousandths of one percent. I'm the PA guy and I'm watching those numbers. They're so small, nobody externally would ever, I mean, the media would never have called and said, "I hear you're really going down the tubes with seven one thousandths of one percent." It would never happen but we know that if it maybe got to, you know a couple more thousandths up, maybe it's a problem. So, that's why our pyramid looks like it does.

Speaker 1: I would assume then, that you have some pretty detailed crisis management plans for Company D, or not really?

Speaker 2: Oh, for the environmental weather things, yes. You can guess, the most detailed crisis management plan is for a hurricane and that is updated on a continuous basis when we find opportunities. That was a great drill—you were here, right?

Speaker 1: Uhm hum, yep.

Speaker 2: And, that was Georges that came through. We were in the bullseye for Georges. We watch them when they come off Africa. As you would expect, we have a public trust and we're, as a matter of fact, on the recovery side we would like the network to be up and running when it's over. So, we watch them when they come off, we watch them as they develop off Mexico. So, we have electronically continual communications on what is going on. We have a disaster recovery center up in Temple Terrace that's reinforced. There are two parts of the hurricane guide, one is the operations restoral period which is like what, when, where, how. It looks a lot like what you've done in the military. And then, there's the PA plan which gets into the research that we've done. We know what media is watched and when. We've already negotiated the messages, we've already negotiated the preparation. So, we have a number of stages and if stage one hits, there's a guy that implements on the media side, what you need to know about communications. It's all there, all the advertising is in the papers. I mean, it's ready to go. What we've learned from this last round was that the plans worked fine. Procedures are right, except one thing we didn't think about, the human capital, the human issue. And, we got into the disaster recovery center and we started setting up, probably around noon the day before. It was scheduled to hit about two p.m. on Saturday and we were arriving about noon on Friday. So, two o'clock to hit Saturday and arriving on Friday. And, that's like phase two when you have to go over there. And, we set up our media center and we were getting ready. The media is already calling in, "How are your switch reinforces, are you sand-bagging?" They want to follow us because you can't get anything done without communications. And, by nine o'clock we know that Georges is really going to move up the coast to the Panhandle and not here, and we're exhausted. I mean, by the time it would have hit we would have been completely exhausted. And, it's the one part of what, you know, the Air Force knows how to do inherently that we do not know how to do. Everything else was great but the leadership



## Appendix D (Continued).

was dead [laugh] and we hadn't even had a hurricane yet. So, that's the take-away we had from the last hurricane. And, that's actually an easy fix.

Speaker 1: Send half the people home, half at the center, "You sleep now!" [laugh]

Speaker 2: There's a couple more steps than that.

Speaker 1: Sure, but I mean it's, you know.

Speaker 2: Because if it...that works for the near miss, you know, double shift. See, there are no bunks in there. I slept on the floor of my media center, I mean, there's some fundamental problems here [laugh]. I put my pillow and I slept on a concrete floor, it's not right. There weren't any showers in there. There's some other essential services that aren't related to the center there and they're going to keep working. So basically, the building is housing a significant amount of people in a twenty-four hour day and there's no food in there. There's the hygiene issue, because we brought in like a buffet that night. Everybody bought pizza for each other. There's pizza all over the place! You know, fundamental problems. Easy to fix! But, what really got complicated is when you stand back and say, "Well, if you look at Andrew, that was a two month." The fact is, if we got a direct here, we might not return from that center for months and that's where it really got hairy. It's not a matter of double shifts, it's how do you manage thousands of people over a month's time out of that center with hygiene, good health and making rested thoughtful decisions. So, we backed-up to the fundamentals, on that one big issue. The good side is, we know it and we can fix it. And, the plan looks pretty good now that we've done.

Speaker 1: What about other types of crises? You mentioned natural disasters. Do you have plans for other types? You know, let's say a human disaster. All the Company D employees suddenly walk out Christmas Eve and say, "We're not working," you know, do you do those type of crises as well or planning for those?

Speaker 2: Sure, there's always a...strike, strike-duty, strike plans. They exist and we have them. We're very good at handling those over the years. The key part of that strategy though is having good relationships with the union. I mean, that's an evergreen type thing. We don't go into bargaining and have a bargaining day here. It's an everyday thing and that's how you maintain it. Should it happen, there is a national and local procedure that we use where key management is routinely identified to step-in and pick up essential services. I'm already an essential service so I don't fall into that, but half my staff has to. So fortunately, some of my best people, as I've told you, have dispatch experience. Well, you know, I'm probably going to lose them when that happens.

Speaker 1: Yah, I wasn't—I didn't mean that, you know, crisis specifically, but do you plan for others? Obviously, you plan for more than just the hurricane weather. You've said the employee relations, straight plan. Are there other crises that you've planned for? I think I've seen books that there's maybe, you know, one hundred and fifty different types of crisis.

Speaker 2: There are lots of different kinds. I agree with this, but because we have a crisis mentality every day...it's more of a BAU situation. I'll give you a couple of examples. We have so many people here, employees get hurt or killed. I'm not necessarily meaning on the job, but I mean bad things happen because we're such a big

## Appendix D (Continued).

segment of the population. And, that is a routine because we are a city ourselves almost. That is a routine part of the HR process, on how to deal with those things. Uhm...I'm trying to think of—see, our crises are so BAU, I mean, you're talking about a normal practice because a cable cut is a major crisis.

Speaker 1: I think that's what I was going to ask. What do you define as....

Speaker 2: See, to me, really exceptional—oh, okay, a routine crisis would be a service cut. You know, a major fiber optic cable. I might even be carrying emergency service systems. Uh, services for other companies is severed by a contractor, often employed by a municipality or a county [laugh]. And, they're out of service and that process looks just like the hurricane process. There is a recovery plan where the maintenance people who do diagnostics are at the scene within a specific amount of time. The reporting out begins immediately. It's just like the building situation, that's why that was so easy. Our team gets on the ground, we know exactly what media to call. We have a process to analyze the situation, whether or not it's global. That's the toughest part of our PA role because you can have hundreds and hundreds of people without service, including businesses, and the temptation among leadership is to go global. This is only one media market. If you take that to the media market, you're going to have two million people finding out that, you know, that you've got one hundred people out of service. That's just dumb, that's not in the interest of them because they've become suspicious of what they have and that fact that they have emergency service and they're not out of service. So, that's the tough balance that we have to strike. One end knocking on everybody's door in a little neighborhood, to the other end of actually going public and saying, "There's a significant amount of people who have a problem and you need to know that." And then, we make a decision about whether or not the media is going to follow this since we are an essential service. We've got the public trust, they'll follow this thing to the end. But, it's so BAU, it's basically the estimated time of restoral and the key part of the plan is the way the ETR's are developed, have to be completely bankable. There's a great deal of pressure on the front-end for a team to do the diagnostics and look at it. These are, you know, it's just a terrible mess when it happens. Especially, if it's a combination of an system component. It's just...you know, to sit there and say, "I'm looking at this and my job is to tell you that I'm six hours out." "We're fifty percent by eleven o'clock and we'll get the rest by two o'clock," critical.

Speaker 1: Can you give me the—you used BAU, I'm sorry, I'm not familiar with that.

Speaker 2: Business As Usual.

Speaker 1: Business As Usual, okay. I just wanted to make sure of that.

Speaker 2: That's an everyday thing. That becomes a crisis in a competitive market because what we've had to adjust to is how those messages are being changed. As a monopoly with the public trust, our job used to be, "Okay, it's big enough and we have an ETR, the media will help us communicate that there's going to be a service outage." "You don't need to call us, you can bank on the restoral time and here's how it happened, here's who did it," and that's the end of it. In the competitive market, the phone rings at the radio station and it's our competitor, one of forty or fifty. The public trust, this is what they're saying—the subtext is, "The public trust has been broken, you don't know this, but Company D has not managed to the expectations of it's public." "And, the

## Appendix D (Continued).

whole neighborhood is without service, without emergency access, without a life-line.” “There are elderly there, there are handicapped people that need these services and the trust is broken, wanted you to know that.” That changes our front-end significantly. Is it fair or not, I don’t know. But, now it’s turned into a competitive issue. Are we managing to the expectations? It doesn’t matter who cut it, you know, it’s our responsibility to have full-time, one hundred percent service. If we don’t meet that standard, we’re vulnerable from a competitive point of view. Since we’re transitioning it’s hard because...we still have that public trust. You ask anybody on the street, “Whose your communications company?” They’re going to say, “Company D,” a few years from now they’ll give all kinds of names. It’s still public trust, we still have more of a covenant with the community to solve problems together. As you move towards a competitive model that’s going to get pulled apart. As long as we can hold that original position, that’s great. But, it’s going to go away. Sometimes I get...some feedback when people watch the local news and they say, “Your communications company announced a bold new step today,” can be positive or negative. And, they go, “You know, you’ve got to get them to say who you are.” I feel just the opposite, you know, the public trust is important. We are so linked with this community. Our employees live on every corner. The day that they do have to differentiate is the day that we’ve lost. The day they say, “Well, you better write in that it’s not these forty companies, it’s Company D,” then we have become more of a marketing company and just a retail company. You know, it’s nice protecting that position because ninety-nine percent of the people are using us anyway. Does that make sense?

Speaker 1: Yah, that makes a lot of sense.

Speaker 2: I think that’s neat that, you know, that they say communications company and people, inherently, know that’s us. I said, “That’s great!”

Speaker 1: I know you wanted to wrap up so I’ll leave you with one last question. What do you think is the most important aspect of conducting crisis management for you and Company D?

Speaker 2: It’s two things, it’s industry knowledge and it’s trust. Industry knowledge would include research, market research. Knowing what people expect and what they trust.

Speaker 1: Great.

Speaker 2: That work for you?

Speaker 1: Anything else you’d like to add?

Speaker 2: No, I always enjoy talking about this. It’s great. And, you would get this—I think you’d get the same response as anyone in the communications industry, I really do. I think if we broke bread together today, we would talk about exactly the same thing. We wouldn’t have to define terminology. The nomenclature would already be there and those standards of behavior would already be there. This is a great industry. I’m including the competitors in this. It’s just great because of that trust issue and the public switch network. We’ve kind of all got our teeth on that intimate relationship with the community. And, you don’t get that at many other companies.

Speaker 1: Great.

## Appendix E.

## Transcript of Interview with the Associate Vice President of Public Affairs for an Educational Institution -- Company E.

Speaker 1: ...Uhm, we have these working definitions, maybe you could explain how you in your daily activities in the public affairs role at Company E conduct crisis management or something to that affect.

Speaker 2: Well, I guess the first point is, how much can you anticipate crises and what the nature of those crises might be. And, so we have some guidelines that we've developed over the years in terms of things like weather situations, hurricanes, for instance where the company might consider closing down. So, we have those kinds of things written out. We also have company-wide plans, I guess, that specifies for us as the role of building supervisors, police officials, as well as the communications department and what we're going to do. And, the main thing is that it calls for one person to take the lead during a crisis and for a team to be assembled. And then, based on what the particular crisis is, then we make adjustments as we go along.

Speaker 1: Now, you mentioned that it's important to identify crises, kind of before they evolve. You mentioned hurricanes. What about student problems?

Speaker 2: Well fortunately, we haven't had anything like that for a long time. We, again have some general guidelines in place about how those types of things might be handled, but that's really the kind of situation that would be evaluated on a ongoing basis as it was occurring, what kind of steps we might put in place. And generally, the Associate Vice President for Administration is the one who coordinates any kind of major crisis if it's perceived to involve the police or involve a threat to buildings or those kind of things. I'm the one who comes to the table representing the public relations interest, obviously.

Speaker 1: In what interests, then, are you looking out for? Public relations for the company and what are the things that you're looking at? Are there certain key publics that you identify or have identified to communicate with? Are there steps that you take to monitor those publics? If you can explain your process to me.

Speaker 2: Uhm, I'm interested in looking at how the public is going to perceive something. So, what's this going to do to the image, reputation, or perception about the company. And, that's usually the starting point that I have, I guess. And obviously, a major part of that is how we respond to the human need of the crisis. If that means students, you know, how do we get word out to the students, then that's top on my mind. Frankly, I think one of the things that many crisis situations often don't take fully into account is your internal communications. That's really, really, really important that the people who work for you and in our case it's students which is a little different than the corporate environment. Uhm, because I'm never quite sure whether they're customers or our products [laugh], but anyway, students are clearly a key case in point. I mean, it wasn't really a crisis but we've had a couple of situations this fall where people have had

## Appendix E (Continued).

diseases, uh, tuberculosis being one of them. Where it's perceived as being a communicable type disease and it could start an epidemic or something. And so, the way that it is handled and communicated with the students, obviously concerns and involves us. Like I said, it's not a crisis situation where you feel you need to immediately come up with a statement but at the same time it was something where we had to work with health officials and determine what actions they were going to take and we could best get that word out to the students. In particular, the students who might have come into contact with these other students who have the disease. So, you know, those kind of things. It's always important in my mind to reach the students. And, because the students don't necessarily have one central communication vehicle it's sometimes difficult to make sure that we're getting to all the students unless we go out to the mass media.

Speaker 1: That's what I was going to ask you. There are thousands of students at Company E. So, how do you communicate with the students.

Speaker 2: Well, there are some several thousand e-mail accounts. And, one of the things that new technology has enabled us to do is to use the company list-serves, and send e-mail messages out to all those who have an active account. But, for instance, I have a daughter who is a student and I know that she checks her e-mail account about once a month. So, trying to communicate an emergency to her via e-mail is not a real effective way to do it. Another thing we have is our website and most of the company computers in offices, at least that I see, the first thing that comes up on their computer in the morning is the Company E website. So, we also have the capability of putting on that homepage website a bulletin or a message and that's what we did on Governor Chiles' death and the fact that we were closing. And, memorial recognition for him, that we put it on the front of the website at the top that the company was going to be closed tomorrow. So, that's another way that we have to try and reach those audiences. But, that also extends to things like we have a foundation board. And, this foundation board—they're primarily people out in the community who help us with friend-raising and fund-raising. They also supervise our foundation accounts to some extent. So, they're very influential type people. We want them to know what the company's position is when something bad is going on. So, we have an e-mail list where we can send them messages as well, quickly. The few who aren't on e-mail, we send a fax. So, one way or the other, we are able to reach them quickly without having to employ—the old technique used to be that, you know, secretaries and everybody would get on the phone and just start calling and say, "We really need you to know this," and read, more or less, a prepared statement. Well now, we just tend to either e-mail or fax it to them.

Speaker 1: Can you take me through the process of how that prepared statement gets developed.

Speaker 2: Sure. Again, I guess it depends a lot on the individual type of crisis but normally our office would attempt to find out the facts. Whenever you have a crisis the first thing that everybody needs to know is what has actually happened and what's going on. In the media, that's the first question they always have is, "How many people were hurt?" Or, whatever the situation might be. So, our office basically goes out to try and find out what the facts are. We put the facts together and then we talk within the office.

## Appendix E (Continued).

Maybe my media relations director and I, maybe a couple of the other staff members. And, we talk about, "Okay, what should the company's position be in this situation?" You know, if there's a tragedy, you know, a student is raped for instance, the first statement you want to express is concern for the individual and for the family of that individual. So, you want to make sure that you're sending out the right signals. So, we draft something then and we take it to the President. The President may touch it up or may decide that he wants to do something a little different. Or, says, "Well, what about this thought," so we kick it around for awhile. And then, finally he'll approve it and then we bring it back and then we start to send it out. And, like I said, usually in addition to sending it out we have a—the media is generally on a fax basis so we fax it out to the news media but we will also at the same time be sending it to the internal list-serves. Which again, is not a perfect world because the company's computer system is so complex that it's not like every message goes out at once. As I understand it, the computers basically send out one message at a time. So, if we have a thousand people who are served by one computer server, and there's probably more that are, but they basically do them sequentially, one at a time. And, if somebody else sends a message in between, it actually can get in between, so there can be some several hours of delay before something actually gets out. And of course, there's always the old grapevine. You know, internal.

Speaker 1: Yah, I was going to ask a little bit more about internal audience. You also have a large amount of faculty. So, how does that work in communication as well?

Same channels as for students or is there a different avenue that you take for faculty?

Speaker 2: Uhm, generally the same channels. And again, you know, it depends—some crises are kind of hit and they're gone and they're over. So, you either reach people immediately or you basically miss them and whatever the crisis was has gone by. Other crises drag on for some periods of time in which case you have other avenues like we publish a faculty/staff newspaper but it only comes out every other week. And then, during summer and Christmas break it takes other periods of time. We have an alumni magazine that all the faculty receive. Alumni and donors receive it. But again, that comes out quarterly so there's not too much you're going to address there unless it's to try and—maybe something that was a crisis and maybe the media didn't think we handled it that well or something. Maybe to explain why we handled things the way that we did. I think of the bomb threat we had a few years ago with suspected terrorist kinds of situations. There were some concerns about how that was handled and so we ran an article in a magazine a couple of months later that actually explained our actions. But, most of the people that got that may have already seen our explanations in other formats. So, faculty—again, there's not much that our office in terms of trying to make personal contact. Now, another technique that we have used a couple of times with varying degrees of success has been creating an automatic telephone voice message that would ring up all the telephones in the company. But again, it is very time-consuming. Some people don't like that. They think that's like over-kill. So, it has to be something very serious before we will do that. But, it has been done.

## Appendix E (Continued).

Speaker 1: That brings up a good point. How do you define or what would define or constitute a crisis for Company E? How would you know you're in a crisis? What are the events that you consider to be a crisis?

Speaker 2: Well, I guess similar to your definition here. It's some kind of significant occurrence that potentially has a negative impact on the company's image or reputation. So, a crisis might be a basketball player accused of rape. I mean, that would certainly qualify as a crisis. The bomb threat where it was a letter that said that on a certain date we're going to blow-up this building and we're going to kill a faculty member. So, you know, that was a crisis and particularly because of the kinds of things that had been happening around that letter. Normally, a letter like that we might just say, "Ah, it's just a crazy letter, an idle threat kind of thing." But the fact that we had recently had some other terrorist activity on campus, it kind of exacerbated the potential threat and the way that we interpreted it. Hurricane approaching the campus, that's certainly the kind of thing where every—what tends to happen is a lot of times internal people will start to call and say, or parents will start to call and say, "Are you going to close down, what are you doing, how are you handling this?" So, that kind of signals to us [laugh] that we need to be more proactive in what we're trying to do. Other kinds of crisis could be a high-placed official at the company who is accused of some misdeed in office. You know, some companies the President has been accused either of financial misdealings or sexual misdealings and in those kind of cases you would consider that a crisis. The President is the most visible person representing your company. So, that's certainly going to have an impact on image.

Speaker 1: Let me back-up a little bit again, you mentioned earlier about preventing crises. Do you have any kind of formal issues management things that you do? Or, how do you kind of identify these problems before you get the phone calls? Or, do you have a system set-up to do that? Or, maybe you don't. Could you walk me through that?

Speaker 2: Mostly just trying to be aware of what the issues are. You know, I read the trade magazines and what kinds of things are happening on other similar companies. What kinds of things are generating controversy. For instance, we have an animal research holding facility here. Frequently, companies are targets of protests or whatever. We have issues that come up sometimes...trying to think of another one that has been in the news lately. Mostly, like I said, athletes who are accused of some kind of crime.

Speaker 1: How about sexual discrimination or something like that?

Speaker 2: Right. So, I try to be aware, nationally, on what's happening. Here it's mostly—I attend the President's staff meeting so I kind of anticipate some things sometimes there. And, we have—we're right down the hall from the General Counsel's office, we're right down the hall from the legislative liaison and from the Vice President for Administration. And so, between them I am often just stopped in the hallway here and told, "Hey, did you know this suit is coming up," or "This kind of situation is about to break," so it's kind of just sort of a personal network of people who know that if something like that is happening it means it's going to become a media event and I need to know.

Speaker 1: Is that usually when you're drawn in, when it really becomes a media event? Is that kind of the focus of it?

## Appendix E (Continued).

Speaker 2: Yah, and that raises some interesting questions. You know, like you said sexual discrimination suits. Well, the standard response from the attorneys is, "Well, we need to be really careful about what we say on this and maybe we shouldn't say anything." And, "Maybe we should just say we're innocent, believe us," and so we frequently have to set down with them. In fact, an interesting thing, and this is part of our advance preparation as well I guess, is that we do a regular media training session for various administrators. Where we offer a day-long kind of seminar and we line-up different people to do that at different times. But, we put the entire general counsel staff through media training so that they will have a better understanding of what the media wants, why they want it, when they want it, that kind of thing. And so, we hope that we can better work with them on crafting statements that will at least partially meet the media's needs and certainly meet the company's needs in terms of winning the battle in the court of public opinion as opposed to the actual courtroom. So, we have those discussions quite frequently with the General Counsel staff on lawsuit issues, how much can we say. Sometimes we still end up saying as much as we'd like to say but we reach some kind of compromise that's usually ultimately determined by the President.

Speaker 1: So, both sides weigh-in and the President makes up his mind on what he wants to do?

Speaker 2: Generally, that's the case. And, I will say that the President more often than not, tends to lean toward what the General Counsel is saying rather than what we're saying. But, there are reasons for that as well. And, you know, being a public company we—disclosure is almost mandatory here so my feeling is always that we need to get more information out and as quickly as possible. And, kind of...for one thing, usually curtail the amount of time that the focus is on this particular incident. And secondly, make sure that our position is understood. Because, if you just have the attorney for whoever is suing you out there making comments about how bad the company is, and you don't come back with some kind of rejoinder, it looks like you don't really have a case. So, you do lose the battle in the court of public opinion.

Speaker 1: I've seen instances where they do have—maybe the crisis doesn't impact Company E. Maybe the crisis is somewhere else. And then, I'm reading in the paper and I read a quote from a Company E faculty member and I'm always confused as to why that happened or what happened. Do you guys have some kind of a tool that you use?

Speaker 2: Yah, we promote our faculty members as experts in various fields. And so, what often happens is, yah, there's some kind of crisis and maybe it's an environmental crisis or some other political crisis or something. And, because of the way that we've promoted our faculty members, they call us and they want to link with a particular faculty member who can provide a supposedly unbiased opinion, but a very informed and professional kind of opinion. And so, that's really one of the interesting things about our companies is that everybody thinks that faculty members are these very knowledgeable people and so whatever they say must be accurate and true. Sometimes that's the case, but probably not...not as much as we'd like to think.

Speaker 1: But, this office is involved in that process?



## Appendix E (Continued).

Speaker 2: Generally, yah. I mean, a couple of our faculty have become so well known in their fields that a lot of the media just dial them directly anymore. But yah, we publish an "Ask the Experts" kind of book and we circulate that to the media. Plus, we have our website, some media referrals for faculty. And frequently, if there's a major event, like the latest is the bombing of Iraq. We usually send out the media, you know, we have an expert on...I don't know, it might be an expert on missile design or how missiles work, or whatever. So, we—faculty that we know have expertise in things that would be related to this, we usually send out a quick blurb to the media in the area and tell them that these people would be available for comment if you wanted an expert opinion.

Speaker 1: You also craft company messages for these people? Do they go through the same kind of media training to make sure they're promoting the Company E image?

Speaker 2: Right. When I got here a little over three years ago, it seemed that one of the things we were lacking was a good media training program. And so, we have been working with our mass communications faculty to devise that media training program. We have probably had six sessions so far. We haven't gotten very far around the company in terms of all the faculty yet. So, most of these are media—the faculty that we deal with on these, we would generally tend to provide some individual coaching, but they may not have been through our media training program yet. And, that's another thing that our office always tries to do, of course, is help faculty members to craft their messages and to make sure that they're going to give the kind of sound bites that actually are going to end-up being on the air. Or, the kind of quote that is going to end-up getting used.

Speaker 1: You talked about a potential bombing here at Company E. So, that's no longer an impossibility. So, now do you have a crisis management plan for those types of incidents?

Speaker 2: Well yah, we've always had a bomb threat area in our crisis management plan. But, that was more like there used to be a few years back where people would send in bomb threats when they had an exam that they didn't want to take that day. They just wanted to see that the building got evacuated. So, it's kind of covered in there, but again, I don't know that we would ever, in one hundred years, go through that same situation again. I've read a lot on crisis communication and there's this sort of battle between people who think you need this very detailed, kind of step-by-step plan of what would happen if. And then, there are other people who think you just need—that the key thing is to have like a communication tree. "This person is going to contact this person and then we'll all set down and decide what we're going to do." And, I tend to be more towards the latter. I think you do need a skeletal plan in place but I don't really—I've seen too many offices, in fact I was part of one before I came here, where we spent too much time trying to identify every possible thing that could happen that was bad. And, developing these very elaborate plans. Here's how we respond to a weather emergency, here's how we respond to a student death. Here's how we respond to, you know, all kinds of different situations—a faculty member accused of sexual harassment. And so, we would map out all these scenarios and then we'd end up never using them, so you can spin your wheels a lot doing that kind of thing, too.

## Appendix E (Continued).

Speaker 1: Now, what about after you have these crises? Do you do any kind of work then? Or, you know, we've talked a little bit about how you try to prevent it. Okay, it happened, you know, you kind of went through it. What do you do?

Speaker 2: Well, with our staff, what I try to do it—well, in fact, here we do at the company, too. Which is something we didn't do at the company I was at before. But, we usually have sort of a postmortem, you know, "What went right, what went wrong, where do we need next time to know to watch out for this mind-fall?" Or, "Did we fail to notify this group and they really needed to know." One of the things that came up again during that bomb threat was the switchboard and the telephone operators. We have three people who serve as the central numbers. If you don't know what number to call at the company, here's where they call. And, they originally were not informed about anything. And, it was just one of those oversights where everybody, I guess, thought somebody was going to tell them about that. So now, our office has taken on the responsibility of making sure that the switchboard operators are kept up-to-date with whatever kind of announcements that we're putting out. And, of course, in that kind of situation they got flooded with phone calls from parents, people who were concerned. And, they had no clue what to tell them. And so, it was only after they made that apparent to us that we realized that we needed to feed them information as well. Sometimes, in postmortems you can uncover those kind of things. So, the emergency management group will hold a postmortem. Usually, two or three weeks after the event is over if it's a major event like that was. Our office, in our staff meetings we usually hold a postmortem and kind of say, "Did we do this right?" "What happened here?" "Why did this media person kind of misrepresent what we had thought that we had told them?" And, that kind of thing. So, we try and dissect where things went well and where they didn't. And, if need be, we put something out in policy or in procedure. But again, a lot of it—my feeling is that we have some talented professionals here in the office and the best thing to do is simply analyze each situation as it comes up and within the constructs of the general guideline that we've put together, react to the specifics.

Speaker 1: Now, are you a permanent member of the emergency management team that you talked about?

Speaker 2: Right, right.

Speaker 1: And, if you weren't here, uh....

Speaker 2: Uh, my Director of Media Relations backs me up whenever I'm not here, which has occurred on occasion, too.

Speaker 1: Sure, I know you can't be here twenty-four hours a day, seven days a week.

Speaker 2: I was at a conference in Chicago about a month ago and—when one of these student incidents with the disease broke out. This one was meningitis and the student was reported as having, actually had the disease and not just being suspected of it. And, so he was the one that got involved in those meetings with our health services and other people.

Speaker 1: Let me just ask a brief question about your background. You mentioned you were at another company. Can you just kind of track out for me your, you know, your educational background and, you know, maybe your job experiences that lead you up to this point.

## Appendix E (Continued).

Speaker 2: Actually, I was a graduate in political science in college, but at the same time, was editor of the student newspaper. And so, when I left college I was offered a job by a regional newspaper. And so, I worked on newspapers for about seven or eight years coming out of college and was a reporter, editor, and finally a publisher on a small weekly paper. So, had mostly a news background. And then, I was hired by my alma mater to come back and edit the faculty/staff newspaper, the internal newspaper. And, moved from there into being in charge of media relations. The title was Assistant Director for Media Relations. And then, Director of the Public Relations office. So, I was there for about fifteen years. And then, I came here about three and one half years ago.

Speaker 1: Let me go ahead and flip this over. [End of Side 1]

Speaker 1: So, you've been here for the last three years.

Speaker 2: About three and one half years. And, I've uh...in fact, I have a chapter in a book coming out on crisis communications in media relations. I've done a little bit of research, particularly about how educational institutions handle it. Is your research about educational institutions or just in general.

Speaker 1: Mine's in general.

Speaker 2: Yah.

Speaker 1: So, then uh, tell me in your words what is the single most important factor to crisis management for a public relations specialist, in educational institutions.

Speaker 2: Yah. I think the main thing that you need to adhere to is what are the key messages that you're trying to get out about your institution anyway. And then, how can you work this crisis situation to reinforce your key messages. At the previous company I was at, we won an award for crisis communication for a case that involved animal rights activists. A member of PETA, which is the People for the Ethical Treatment of Animals. But, it's a very radical sort of group. And they, got themselves hired by our animal storage area or animal housing facility. And, so they went in and they started doing videotapes at night and stealing records and doing those kinds of things. And, we happened to catch onto that and so we had a major meeting of people about how we were going to handle this. And, we decided to actually arrest the person and go on the offensive by telling people what the research was. What it was going to do and what the intent was, that kind of thing. So, we were very aggressive. We did arrest the person. We immediately had the news media out to see the faculty member conducting the research which was on dogs and rabbits and it was a skin disease type thing. So, it looked absolutely hideous. We gave them big photographs, we gave them all the information. And, we showed people who suffered from this same condition who largely are in nursing homes. It's caused by a mite. And so, we showed them all this stuff and said, "Here's what we're trying to do with this," and that, "We've arrested this person," and so forth. Well, it took PETA about four days before their people from Washington, D.C. got there and started showing their side of the story. Well, by then the media were saying, "This is all old news, we already know what the story is." "We already know why the research is being done, tell us something we don't know." And so, it created a little flap in the media and they showed some gruesome pictures. We had a few people call in and say, "How could you dare do this to animals?" But, by and large, what this

## Appendix E (Continued).

showed was a message that we had been reinforcing in the community, that we were doing research that mattered to people. And so, as part of another community image study some months later we—one of the questions we were asking is how do we rank in research. And, they ranked us—this was a modest educational institute in Ohio, they ranked us almost as high as Ohio State which is known as the Mecca of research. And, must higher than a private educational institution in the same city that actually was doing twice as much research as we were doing. So, you know, the message that got out about this was that we were a strong research institution and that was exactly the message to get out. That we were doing research that mattered to people. So, what you want to do is make sure that you can—that whatever you say about it is going to be consistent with your company messages. Another message we had there was that we cared about our students. Well, like I said, a rape or death or something happening on-site to a student, well you sure as heck better have your President—the first thing out of the President's mouth better be something about, "How disheartened we are" and, "How sad we are," or "How much we care about the family." And how, "Our counselors are working with this student's friends," and, you know, show that you're really concerned and care about the student. Because otherwise, your message isn't going to be anything.

Speaker 1: Now, this institution here, who develops those over-arching principles that the company follows?

Speaker 2: Right. I'm in charge of developing a—it's called different things, a strategic communication plan or a marketing communication plan for the company. And, we have that. In fact, we're having a retreat in January to kind of refine that. Do we need to adjust the messages that we're putting out? Do we need to focus on one message over another message at this point in time? That kind of thing. So, we have five key messages that we try to get out right now about the Company E. And, those were developed by me working with different committees and what I call my communication team. Which were—educational institutions are different from corporations in that we're very decentralized. And, I have a small staff of about twenty professionals here. But, individual departments like business, fine arts, or whatever, they have their own one or two PR people. And so, I meet with those people on a regular basis in order to make sure that they know what we're trying to do centrally. And, that they can tap into that with what they're trying to do for their departments.

Speaker 1: Now, do you do any research on these messages? I think I've seen a community image study that was done in '96 or '95.

Speaker 2: In '96, you're right. And, in fact, we just have done a repeat, a slight variant of that research on lesser scale. Just to kind of assess where we are. And, one of the things that we did test then was how people were receiving the messages or whether they were picking up on any of the messages. And, I just met with the researcher yesterday. And, he's trying to finalize his report to us, but we'll probably share that with the President and the staff. But, it showed that there's some recognition of the messages. It's maybe not as great as we would like yet. But, I was at an American Marketing Association conference on education the other week and they were saying that the average person is hit with three thousand marketing messages a day. So, how do you stand out, you know.

## Appendix E (Continued).

Speaker 1: That's great. Do you have anything else that you would like to add about crisis management or crisis communication?

Speaker 2: No. Like I said, the key thing is to be aware of your environment, to always be scanning your environment and trying to anticipate what kind of things may be happening. And then, when a crisis does occur, make sure that you're consistent with your overall messages. I mean, that's the advice that I would give anybody in how I would go about building a plan to respond to a crisis.

Speaker 1: Great. [End of Interview]

## Appendix F.

Transcript of Focus Group on Internal Communications Conducted in  
Company A.

The focus group was scheduled to start at noon with a pizza lunch in one of the conference rooms. The room was set-up with six chairs around the table and a stool for me to sit on, which was in front of the room, but also around the table. The video camera was in the corner facing the table and due to the small room, not every participant can be fully seen in the tape.

Four people arrived on time, one arrived fifteen minutes later, and the final participant arrived just after the others had completed their opening exercise. The first order of business was to eat lunch, since they employees were on their lunch break. While we ate pizza, I discussed my background as an Air Force officer and the current research that I was conducting for my thesis. We all ate pizza and talked about the Air Force and airplanes, since two members were aviation buffs, until the session was ready to start.

At this time, I handed the five members who were present (three ladies, all Caucasian; one Hispanic male and one African-American male) a blank piece of white paper and laid out numerous magic markers of various color. I asked them to draw me a picture, write words or in whatever format they would like, to depict the theme of internal communications on that piece of paper. Then, I turned on the video camera and the following is the transcript from that video.

Researcher: We'll take about five minutes to do this.

Male #2: Just internal communications?

Researcher: Internal communications ... how would you describe it?

Everyone begins to work on their piece of paper, then noticing what Female #3 has done, they begin to laugh.

Female #3: Since I got done quick, I'm going to go and get my water and be right back.

Male #2: Look at all these colors. I feel obligated to use all these colors.

Laughs and chuckles from others.

Researcher: I didn't want to ...

Male #2: I have three kids, and they are always, fighting with each other ... I want the green.

Female #1: Well, I was going to say that and then I saw that there were other greens.

Everyone is working.

Female #1 to Male #1: Does this look like internal communication?

They laugh.

Male #1: Okay.

They continue working with Male #1 and Female #1 only using one color. While Male #2 uses a couple markers and Female #2 has switched to a different color.

## Appendix F (continued).

Completed, Female #2 flips her paper over and drinks her soda, shrugging her shoulders in a manner that I perceive as meaning "I'm done -- I'm not sure about it, but I'm done."

Male #1 is the next one to finish.

Female #1 to Male #1: What did you put down?

Male #1: I'm not sure. (He then flips over his paper, shrugging his shoulders in much the same fashion as Female #2).

Male #2 grabs another color.

Male #2: I'm just playing, so whenever you guys are through.

Female #2: I was coloring (laughing).

Researcher: That's okay. How are you doing Female #1?

Female #1: I'm done ... it's one of our meetings (laughing).

Researcher: Let me see if Female #3 is back from getting her water.

After I step out of the room, the participants look at one each others picture and laugh a little. Male #1 grabs another color and adds something to his. Out in the Hall, Female #3 is talking with Female #4 who arrived a few moments earlier, but had not yet come into the conference room.

Female #3 to Researcher: She's nervous about coming in and being on tape.

Researcher: I'm only taping it for my use. If you do not feel comfortable about it though, I do not want to put any pressure on you. We have enough people ...

Female #4: Well ... I guess I'll come (looking at Female #3 for reassurance). We'll be in shortly.

I'm back in the conference room now.

Female #1: I was really confused about what to put down. What did you put down? (leaning toward Male #1) Is that what you think of our division?

Male #1: Well, not the division that you know. (others laugh)

Female #2: That's the feedback (laughing).

Male #1: That's right! That's the division that we know (all are laughing). There's no feedback.

Female #2: Now, how could you have found this out right away (laughing).

During this time, Male #2 continues to work on his depiction while the others are joking around.

Male #1: I think that there's a problem, when you say (speaking about the division vice president) ... Listen, now this is what I want you to do ... this is not my idea, but I think that your team should do this and if you don't do it, shooooooooo, sorry.

Laughter.

Male #1: You will go back and do it exactly as he wants it.

Female #1: You don't understand ... you're not dealing on a personal level.

Male #1: It's true.

Female #1: My boss doesn't do that.

Male #1: Yeah right (all laugh). Yeah right.

Everyone looks at Male #2 still working.

Male #1 to Female #1: Are you creative ... no. (laughing)

Female #1: I'm very creative, isn't that creative (showing her depiction)

Female #2: You're creative.

## Appendix F (Continued).

Male #2 stops working on his depiction and also looks over at Female #1's depiction.

Male #2: What is that with all the dots?

Everyone is laughing about Female #1's depiction.

Male #1: (inaudible)

Female #2: Look at it, it's very creative.

Female #1: Well that's what happens when we have our communications meeting (pointing out on her depiction) ... this is where we present and this is where our people sit.

Female #2: Ooooh.

Male #2 returns to working on his depiction.

Female #1: We just did that last month, I mean last quarter?

Male #1: Who's doing it this quarter?

Female #1: No one. (laughing)

Male #1: That's good ... I thought you said that this was a good thing ... you've got to love that.

The other two women return to the conference room and everyone says hello to the newest member, Female #4.

Researcher to Female #4: I've got some pizza here, if you'd like to have some pizza.

Female #4 to Female #3: Are we allowed to have pizza?

Female #3: Probably not.

Researcher: What kind would you like, pepperoni or supreme.

Female #4 rolls her eyes and looks at Female #3.

Researcher: Sorry, but I think we destroyed the veggie.

Male #2: No, there's a couple veggies left.

Researcher: There are two veggies left.

Female #4: Oh, okay. I'll have a veggie ... thank you that will be great.

Male #2 to Female #3: Why are you guys so worried about the pizza?

Female #3: We're on weight watchers.

Male #2: Oh weight watchers, that's right. I've seen the ads and they have pizza too.

Female #4: Yeah.

Female #3: I hit my goal weight, so I had two pieces of pizza.

Female #4 to Researcher: I'll just have one piece ... the small one.

Male #1 to Female #3: Well ... we've got YMCA up here, right?

Male #2: Right.

Male #1: Well, I've got, I'm got a membership with YMCA Tampa, but they will not accept it from YMCA Tampa.

Female #3: Which Y?

Male #2: Your at YMCA Tampa.

Male #1: That's right ... they will not accept that membership, for some reason that I do not understand.

Female #1: Did you call them? Tell them you were with us?



## Appendix F (Continued).

Everyone begins talking to Male #1.

Male #2: Is that a county thing?

Female #2: There's free enrollment now.

Female #1: Yeah ... that's why you should call them.

Female #2 and Male #2 begin to discuss the Y, while Female #1 and Male #1 continue with, Female #1 advising him to call down there. Female #3 sips her water and Female #4 continues eating her pizza.

Female #1: Call down there and talk to the manager, don't just call down there in general.

Male #1: Okay.

Researcher: Now that everybody's done ... we won't have Female #4 ... uh, do a

Male #1: Draw a picture ...

Researcher: Do a picture for us. But, now what I'd like you to do ... we'll start over here (pointing to the right side of the table) is go all the way around the room, is a describe ...

Female #1 begins to laugh, while Male #1 asks: We're starting on this side of the room?

Researcher: is describe ...

Male #1: What I wrote? Well I wrote, I wrote it ... I didn't draw a picture ...

Researcher: Well, explain your writing to me.

Male #1: I wrote it. Communication is a ... Internal communications, I guess I should, should start by that, is ... ah ... basically, top-down. Um ... it's not (beginning gesturing up and down with his hands), you know, uh ...

Female #3: Two-way.

Male #1: Two-way. Thank you.

Female #3: You're welcome.

Female #1: It was the hands ...

Female #3, smiling, does the hand gesture again.

Male #1: And, and basically, they tell you what they want to tell you.

Researcher: Uh, um.

Male #1: It's not ... it's not something ...if you ask a question, what did you do, what you want to know ... either that or it's ... we can't tell you that, it's proprietary or, you know, we can't disclose that period. And then if you ... if ... in terms of feedback ... ah, um ... it's not being acted upon. So, they say they want feedback, you give it to them, and nothing happens.

Female #1 laughs a little.

Male #1: So ... nine times out of ten, that's completely, that's a discouragement. Nobody wants to participate anymore. It's obviously no need for it. If I'm not going to listen to you, why bother. So ... um ... again, it's only when they deem it necessary that they tell and most of the things they tell you, you already picked it up via grapevine anyway, I mean so why waste your time (laughing) ... you know.

Female #2 and Female #1 laugh.

Researcher: Tell me about the grapevine. I guess that there is a grapevine that runs through the company's employees and your department.

## Appendix F (Continued).

Male #1: I don't know about that (looking at Female #1 who's laughing) .. who told you that? Did you say that?

Female #2 laughs while Female #1 shakes her head no.

Male #1: Well ... my department ... that's typically, that's basically, maybe I would say, where the rubber meets the road. If the company is not doing very well, you ... you will see it, in business ... if there aren't a lot of orders, there's not going to be a lot of activity in my department and people are going to sit there and start talking. And then they have all these ... little friends, that probably ... folks have to empty the trash and go up to the big high-ups (gesturing) and empty the trash, and happen to read one thing or the other, then boom (shooting hands off to the side) ... there it goes, and this lightning fire (others are chuckling) gets started and then ... and people start questioning, did you hear this, did you hear this? So (smiling putting hands up in the air) ... believe it or not, that actually happens.

Female #1: Well, not in my department (others are laughing).

Researcher: Where do you work?

Female #1: Well, I work in the same division (laughing).

Researcher: All right, let's see your picture.

Female #1: My picture is of, um, our communications meetings, which I am in charge of and that is why I drew this (laughing). Because I thought we did pretty good with it, (looking at Male #1) but, obviously we don't (all laugh). This is our ... this, we have our communications meetings in the cafeteria. We close the cafeteria down. This is the podium where everybody speaks (pointing to picture). We have audio-visual and we also have our presenters speak, we show presentations and these are our people. I think we communicate pretty well (putting down picture and laughing, but no one else laughs).

Researcher: Now, how often do you do those meetings?

Female #1: We do these quarterly, now. We had stopped them for a while and ... um, the people felt they weren't being communicated to ... um, by some of the levels of management. So uh ... my boss decided to start having these meetings again.

Researcher: Now you both work in the same department, do you (to Female #1) notice the feedback problem?

Female #1: I work in the office area, he works out on the production floor. He's one of the managers out on the floor ... I work in the office area.

Researcher: But it is the same department.

Female #1: Correct ... uhm ... overall ...

Researcher: It's the same department, but he works on the floor and you work in the office, so you don't notice a feedback problem?

Female #1: No, I don't.

Researcher: Do you think there is a good feedback channel ...

Female #1: I have ... I have a very good (waving arms and smiling) ...

Researcher: ... out on the floor?

Female #3: She's the department's secretary.

Male #1: (Smiling and at the same time as Female #3): She's the VP's secretary ... remember that.

## Appendix F (Continued).

Female #3: She's privy to everything and knows what is going to happen.

Male #2 to Male #1: I've been noticing how things happen, she does them (smiling).

Female #2: She knows, but she just can't say it (all laughing).

Male #1: She can't say it (laughing).

Male #2: (smiling) Forget what the VP wants, she just writes what's going to happen. That's what you want, forget it ... we're doing it this way.

Male #1: And, and, and ... and again let me just add that, that I think that ... that I think the quitting point that ... either this was something that was planned or something that, uhm, gets stepped on accidentally, like we started having skip meetings. Skip level meetings (gesturing layers with hands), and, and, you know ... for all intended purposes it was probably a really good thing, if they use it in a different fashion.

Female #1: Oh, I see. We also have round table meetings (laughing) which I think he's talking about.

Male #1: (smiling) I thought we called them skip meetings, right?

Female #1: Yes.

Researcher to Female #1: And how often do you do these round tables?

Female #1: Round tables, every other week.

Researcher: Is that a mandatory ... with a set agenda from your VP?

Female #1: No... it's uhm ...

Researcher: Or is it a, bring me your problems and I'll solve them?

Female #1: No we have that. It's a group of people that are chosen at random, I choose them at random ... uhm, I have a list and I just go through and highlight them, and it's somebody from each area ... uhm ... He (Male #1) works in one area and we have, I think, we have five coaches out there, so I pick one from one of them and then I pick one from each of the office areas (as she's talking Female #4 begins to look back at pizza a few times), so we have twelve people there with the VP, no agenda ... and they talk about whatever they want. And ... he ... sometimes he'll share like, uhm, if they've had a business review meeting, he'll share some of the information, uh ... with them, from the meetings and stuff and then, they tell him about things that they're not happy with (smiling) and things like that. And occasionally, he comes back and might talk to somebody (rolling her eyes and smiling).

Researcher: Occasionally ... you say that with a smile ...

Female #1: Well ... we

Researcher: I know that you're looking out for your boss and that's okay ...

Female #1: well, we try to get answers ... answers to whatever issues you bring up. We, we try to get resolution and then we send the answers back to everyone. Because no one knows where the question even came from, or who was in attendance in the meeting ... typically. And they are the ones who get the answers back we respond back to them.

Male #2 is stretching, Male #1 is looking down at the table, the females are all looking at Female #1 as she finishes talking.

Researcher: Thank you. All right, Female #2, what did you come up with.

## Appendix F (Continued).

Female #2: Well the first thing that came to mind (Female #1 leans over to male #1 smiling and says isn't how that works? He smiles back) was our company Intranet site. Because everything, and I don't mean a little, a lot of communications here ... I was impressed when I first came here, that there is no paper ... there is no routing slips, there is no memos, everything is listed on the company Intranet site.

Male #2: How long have you been here? (Male #1 laughs).

Female #2: A year and a half.

Male #2 looking at Male #1 then Female #2: No, it's just that, that was totally with the new management so you never saw what it was like before that ...

Female #2: Oh ... that's true, that's true.

Male #2: That's the point I was trying to make.

Female #2: So ... when I need to get a global communication out, that's what I do ... I ... I draft it and I send it to, uhm, (a person in public relations) and she gets it out there ... works for me.

Researcher: Does it work?

Female #2: Yeah ... I think ... I get a lot of feedback on the Intranet site on a lot of topics, you know when deals came through, you know who's visiting ...

Researcher: So you're department ...

Female #2: I'm not hooked into the grapevine too, so I don't know (laughing) ...

Female #4 gets another pizza while the others are listening.

Female #1: It's harder in our department, because not everybody has access to the Intranet ... that's good, that's good for office people (gesturing to the others in the room).

Female #2: Yeah, but we did put three ...

Female #1: We have a couple downstairs ... but a lot of people don't ...

Male #1: Yes, but what you have to understand is, what you have to understand is that in my department ... we're actually being driven by time ...

Female #2: Right.

Female #1: Right.

Male #1: Nine times out of ten, when you are supposed to be on the line, you've got to be on the line, you don't have time for ... and when you give them that fifteen, thirty minutes break, they are, you are as pressed as possible, but you are going to have to come back and sit to start producing a product ...

Female #2: Right.

Male #1: So they don't really have that luxury that we all share in the offices, and, and ...

Female #3 to Female #2: Maybe you should put one in the break room?

Female #2: I had suggested that ...

Female #1: Typically, they don't ...

Female #2: But I was told the location where they would be put (terminals).

Female #1: They have, they'll go out and have their cigarette ... they... uhm they only get what (to Male #1) ...

Male #1: Thirty minutes for lunch then fifteen minutes break ... every ... about every two and a half hours.

## Appendix F (Continued).

Female #1: So many times, we'll print and post, from the Intranet ... and I think the coaches ... also ...

Male #1: We share information with them via the Intranet, but ... but ... as far as ... but that's just one-way communication. That's what we're telling them.

Female #2: That's true.

Male #1: You know it's one-way. It comes from the corporate, it goes to them .. and there is no ... even though your (pointing to Female 1) ...

Female #1: Interaction (smiling).

Male #1: Yeah, your boss tries to make that quarterly, but, but ... you can see that when, when he tries that, the whole place is dead. Because most of the things that he's going to talk about, it's already been shared with them (smiling towards Female #1), so

...

Female #1: Hey, I don't sit in on those meetings, I don't know what ...

Male #1: Sorry.

Researcher: You mentioned the Intranet site and how difficult it is for your workers to access it ... and you select things from it ... well, who decides who sees what? Do you (to Male #1), decide to pull five new things out of ten new things ... here's one, who cares; (all chuckle) here's what is important and since you are also busy you really only take one or two things off the site and take it out and share it.

Male #1: Well ...

Researcher: Or do you take everything and say ...

Male #1: No ... no (Female #1 also shaking her head no).

Researcher: Here's what's on the site today, because I know that you can't get to it.

Male #1: No ... we ... it's selected. We select what's important to them. For example, this deal with the two new companies ...

Researcher: The agreement ...

Male #1: Yeah ... it's important to them, so we share that with them. Uhm ... stuff relative to the .. like the new product, like that was important to share with them.

Female #2: Who's here tomorrow.

Male #1: Yeah, tomorrow ... it's selective ... we can't ... we don't even have enough time to sit there and look through everything there is on the Intranet site, let alone, you know ... sharing all that information. You also have to understand that, that in my department, as I said earlier time is very limited. We try as much as possible to have at least a hour and a half meeting with our different groups ... uhm, in a week. and that ... it has to be a brief, succinct meeting that drives home what you need people to know. Uhm ... we've been ... well, I've personally been in that constant one hour, hour and a half hour meeting every week, with them ... and from that, not only do I discuss what's important for the company, what is relevant, but also tell them what the production schedule is like. So that everybody has, you know, a heads-up as to what is coming. So, uhm ... again, that's just a one-directional ...

Researcher: Right.

Male #1: You know, dimension type stuff.

Researcher: Right. Male #2, how about showing us your intricate drawing.

## Appendix F (Continued).

Male #2: Well, I tried to be creative, because I just felt compelled to (pointing to all the magic markers, others laugh). So when I drew my picture (holding it up and pointing out the drawings as he explains), the immediate thought that came to me, uh ... was you, you had to think about communication, this filter. I drew this filter in the middle, because from the very beginning when, when the chairman of the board took over the concept of need to know ... now let's not ... it's good to share and be open, but let's do it ... as people need to know, so let's decide who needs to know what, not just as we have where we communicate everything to everyone because it's good for everyone to know everything. So ... so that was kind of the dominate theme, that there's a need to know. So on the right, it's kind of like people and on the left there's kind of the upper people ... CEO, CFO, etc., uh. So things that are shared pretty openly are, you know like our results status, you know like we just bought this, or these people are coming in to visit us, kind of our vision of where we see the market or trends, uhm ... and it's something of general high-status to share ... and, uhm ... the vehicles that's done is primarily e-mail and the Web, Intranet site. Quarterly meetings, everything tends to be positive, they share positive stuff ... but, they don't lie. I mean, I don't get the feeling that we're lied to. We're basically told pretty frankly ... here's what it is, with a positive upbeat. If there's something that's not positive, he'll say this is not good, but we're doing this about it. Uhm, definitely no financial details and that's one of things that I put on the left side, because that is filtered. There are no details shared ... and that's understandable, I mean even to the managers, they talk but they don't give it to us in writing ... because as a private company they want to keep that very controlled, until we go public, but at least they explain the situation. So, that was, that was what I see. I see it as pretty good ... uhm ... I'm in a department that's, I'm pretty involved with knowing what's going on with our manager, I work closely with the director, and uhm ... the need to know also focuses there because I'm in a business unit. I really do not have a clue, what others grouped are working on and that's fine, it doesn't bother me ... sometimes I'm curious and I can go and talk to the other people, other managers if I really wanted to know. So I really know what we are doing, our business, our product, status ... uhm, uh, very well and there's good, open communication.

Researcher: Even with a filter?

Male #2: Even with a filter (shrugging). Because I understand it, I mean if I really wanted to understand or know what something was, then they would say no we can't tell you. Oh well, that's kind of a personal thing, something that you have to trust that they are doing for a reason and not just because they're out of control and don't know what they're doing. I think they know, they know what they're doing and they're doing it for a reason.

Researcher: You mentioned, uh, going public. Has that kind of, gone around the company very much ... that they share about.

Female #1: We hope we're going public.

Male #1: We hope it is.

Female #4: Oh yes ... they've been very open about that ... I think that's one of the things they share about that's detailed.

Female #1: That's what we're striving to reach.

## Appendix F (Continued).

Male #2: I think every ... almost every quarterly meeting that the CEO presents, the ... before he's even asked he says here what I see.

Female #4: Yeah.

Female #1: I think ...

Male #1: Here's the history of the markets ...

Male #2: Yeah, the markets were taking a dive, now would not be a good time, so it doesn't look like anytime soon. But, uh ... at some meeting he's going to have good news about it ... he'll be pretty open about it, they know that it's out there... but they're not going to share the details.

Female #4: Like, he'll tell us how he's going to court the analysts.

Male #2: Yeah.

Female #4: Like the type of information that he'll tell them.

Male #2: Right. At the last meeting he said that he'd been to Wall Street to talk to analysts and here's what they said. You are doing really well here, but you need to prove that you can do well in this other market. So, I do think that they are doing really well. You (gesturing to Female #2) didn't see what it was like before (others laugh). I think that ...

Female #2: (laughing) It sounds like I'm glad that I didn't see it before.

Male #2: I ... I remember uh ...

Female #4: That'll work.

Male #2: I remember, at least in my mind, that there was one thing we had in the old days, where they would blast music (gesturing) and they had all these speakers, a big presentation and people are just, blah, blah ... walked in and walked out ... they had all this hoopla, but no one really felt it. Then they had a simple meeting with the new management where they just sat and spoke from the heart and said here's the way that it is. And people left feeling good and so ... it really wasn't the way it was done, but what was said, you know what was said ... and I think that's the difference that they were more sincere ...

Female #4: (laughing) And what was said.

Male #2: Well right. That's the difference between the previous style ...

Female #3: regime ...

Male #2., Right.

Researcher: But, I also don't see feedback in your drawing.

Male #2: That, that wasn't ...

Researcher: Is there a feedback vehicle?

Male #2: From my perspective, I ... I feel that there is. I mean ... I'll easily ... I'll send e-mail ... see I don't have concerns about we're doing this wrong, I guess it's more about the business and here's the concern and here's how we're going to do it, so I send e-mails to my VP and someone else with a business question ... I don't feel that I can't do that ... and I'll ask other members in my group and they'll speak to my director and I've seen him go out and talk to people. Uhm, there aren't ... if you like to see everyone, if you like to see the CEO walking around or a VP walking around, well that doesn't happen ... and so sometimes people are like what do these people do. But it doesn't, I don't get bothered anymore ... it's in a different area of the company, we're very focused

## Appendix F (Continued).

on getting our products done and I think we do try and share our product and what we're doing with the planning people. Now of course, you'd have to ask my employees if they feel the same way, but that is my perception ...

Researcher: That's tomorrow (all laugh).

Male #2: (laughing) I don't have a problem with that. They'd just go for the pizza party anyway.

Researcher: Well, it's nice that your company is having a party tomorrow for me research. Free beer, free food, come on out. (laughing) Anyway, Female #3, let's see what you came up with, especially in such short order.

Female #3: Actually (holding up picture) this probably looks really negative, but it's just because I don't draw very well. Uhm, corporate-wide, Female #2's observations are right-on, I think from where we were to where we are, uhm, the communications are wonderful. The Intranet site is the best thing anyone ever did as far as sharing ... I think the whole company, think the whole company needs to know or at least pieces of it. My problems are probably more a function of what I do. I'm in an operational area ... uhm, I kind of am the endpoint of, okay we've sold something. I have contracts and pricing and orders and executive briefings and etceteras and ... interdepartmental communications are practically not existent. Uhm ... and it's frustrating for me, uh ... because something happens and you have to react to it, whereas two-weeks before somebody should have told you, oh by the way we have this contract coming, instead of at 6:30 on Tuesday night, quick (gesturing excitedly) we need to get this executed, type stuff ... or even knowing who's doing what anymore. You pick up the phone and say blah, blah, blah and they say, you know that I don't do that anymore ... one of the scrambles that I was just having, is trying to find who does a certain department's tours and I don't even know who to call ... and I don't even have a clue as to who to call to even try and figure out other than going through my network of people ... you know, hey Joe help me, I need you to tell me, who ... who would you suggest I call. Uhm, so it's that kind of thing that I find frustrating.

Researcher: How would you, you know, how would you do it? I think that there is a weekly meeting that the CEO has with all the vice presidents each week and they sit down and talk about all the different things going on ... a staff meeting.

Female #3: Is there?

Male #2: Yes, there's a meeting on Tuesdays (Female #4 also shaking her head).

Female #1: Yes there is a meeting ... staff meeting.

Researcher: So, it's not filtering down from the vice president?

Female #3: No ... I mean at the vice president level they're probably not talking about who's the product manager for a product this week ...

Male #2: This week (laughing) it changed again?

Female #2: It changed again?

Female #3: I don't know, that's what I'm trying to figure out.

Female #1: So we don't ... we don't really publish org charts anymore.

Female #4: We used to ...

Female #2: Everybody else does ...



## Appendix F (Continued).

Female #1: We used to ... it doesn't give you enough information to tell you who does what.

Female #4: They're functional ... functional.

Female #1: Right ... and I think years and years ago we used to have a little more information on functions. It seems like we did ... we used to get a little more detail on what people did.

Male #1: Yes ... we did.

Female #3: Yeah, I ... I have a page on the Intranet site with my group that gives a functional description of what they do and doesn't just say, Joe and Jane -- orders. It says Joe and Jane -- orders -- and exactly what orders they are responsible for. Uhm, but there's not like a central source to go ... get that kind of stuff and it could very well be out there on the Intranet site, but I don't have time to look for it. Especially when it's you have someone coming in at 2 o'clock and its 11:30 ... you know ... I don't have time to do something like that.

Male #2: I, uh ... uhm, don't doubt what you are saying ... it, it would seem to be that it's pretty well organized and easy to find out. You just look at that ... maybe you're right, there isn't an internal document, I'm trying to think where they are, but if you don't know John Doe ... if you don't know who the project manager is, call John Doe (Female #3 uhm, uhm), I mean ...

Female #3: What if I don't know John Doe or he's not there?

Male #2: Then his secretary will answer.

Female #3: No she won't.

Male #2: She won't answer?

Female #3: Not if he's not there with voice-mail.

Male #2: Well ... that's true.

Female #3: That was the overlying problem really.

Female #1: It's hard to get people to answer, it hard to get live voices in this company ...

Female #4: In this world ...

Female #1: (smiling) I always answer, but ...

Female #3: I just think that overall, we do a bad job of explaining to one another, who does what ... I mean, nobody even knows I exist ...

Female #1: I know you exist (laughing, others laugh and say the same).

Female #3: My people do, based on their functions, you know, we don't have this hierarchy or this chain of command, but, you know ... like John Doe who's working on product forecasts, he's going to the VP of Sales, he's going to the President, he's going to the VP of Manufacturing, I don't have anything to do with it (throwing arms up in the air) ... and I bet if you asked, you know 15 people, 10 of them wouldn't even know who he reports to ... which is a good thing, you know, because they are not trying to find out his manager and call and complain about him, but I don't think we do ...

Female #2: Sounds great, we don't have anyone to tell on us (laughing, others laugh)

Female #3: Uhm, but I don't think we do a good job of explaining, you know, who does what (Male #2 nods in agreement).

## Appendix F (Continued).

Researcher: Is it a pretty flat organization then? It doesn't sound real structured.

Male #1 and Females #1 & #2 all say that it's pretty flat.

Female #3: Pretty flat ... I report to a VP who reports to an executive VP who reports to the president ...

Female #2: I report directly to a VP.

Male #1: So it's pretty flat, not like it used to be three or four years ago

Female #3: I think my situation is probably deeper than some.

Researcher: How deep is that, would you say ... that you're four layers from the top basically.

Female #3: Yeah, yes.

Researcher to group: I didn't or maybe I saw one note on e-mail, is that pretty much the only form of communication in this company ...

Male #2: Yes.

Researcher: I think that's what I've heard you say ... you mentioned that people don't answer their phones.

Female #1: Well, I ... I, I think it's ... it's because we work very lean and mean now ...

Female #3: We're smaller.

Male #1: We're busy.

Female #1: And people don't, people aren't sitting at their desks as much as they used to and their not ... I'm not saying that they're not responsive, it's just that they're not there answering their phones they're out doing their work ...

Female #2: They're out working ... right.

Female #1: Cause, we are doing, we are doing a lot more than we used to, I think ... our responsibilities have grown.

Researcher: How then does an organizations like yours, where each person doesn't have a terminal ... do they have a separate e-mail account.

All say no around the room.

Female #1: No ... when I want to communicate with somebody on our team about a meeting or something, I'll send it to their manager and ask their manager to print it and bring it to the person on the floor. Because some of the people on the floor are on my team for, you know, communications ... and I, I think we communicate pretty well that way, at least from my end of it.

Male #1: They ... we, do that pretty well, but even that depends on the manager. Because you can walk in ... you can come at 7 o'clock in the morning and everything is just not functioning, something's wrong, okay, and before you know it ... (hitting hand into his palm) with your personnel issues, your production issues, you do this, do that, do that, by the time that you have a free moment, it is lunch time. (Others chuckle) No, this is typical (laughing), this is not ... it's lunch time and you sit there and you say, okay let me go through my mail ... and you start to go through it, just back from lunch, and somebody needs something, so you've got to get up, (chuckling) go get it, do it ... so it's, it's ... but somehow you figure out a way, that first thing in the morning you've got to come in here, about 6:30, and go through your e-mail and decides which is necessary, as

## Appendix F (Continued).

she said, we're going to need to print up to give to the employees, to do that ... so somehow we figure out a way of doing it.

Researcher: So you need a half hour forty-five minute a day just for e-mail, how much time do you need ...

Female #3: How about three.

Female #2: For e-mail ...

Researcher: Just for e-mail each day.

Female #2: Three hours at least, answering e-mails and stuff ...

Female #3: I have eighteen people that report to me, so ... just dealing with their issues -- I'm on vacation, I'm sick, I've got a doctor's appointment ...

Male #1: Uhm, uhm.

Female #3: My son is ill ...

Male #1: You've got to account for all of these things ...

Female #2: I've got twelve ...

Female #1: I've got four ...

Researcher: How do you do it?

Male #1: (inaudible, laughing)

Female #3: As fast as you can ...

Female #2: I also have the support for the help desk sometimes so I have to deal with all of that ...

Male #2: You do? (laughing)

Female #2: And the PBX and all the PCs (laughing).

Male #1: That's easy.

Researcher: Do you read all of your e-mail ?

Everyone says yes, you have to, every ten minutes I read e-mail, except male #2.

Male #2: What do you mean by read every e-mail?

Researcher: Okay, I got maybe 30 a day ...

Female #2: Well, I get more ...

Researcher: Back in my old organization and...

Female #2: Like 90 a day ... at least.

Researcher: And I would look and go, from, I don't need to read that (Female #2 gasps), from, I don't need to read that (Female #2 whispers no) ...

Male #2: (smiling) No you don't have to read that.

Researcher: No, a lot of it is news groups and things like that.

Male #2: No ... I don't read everything

Female #2: I have to do that at home.

Male #2: There are some that I don't read (looking around the room at others) ... you have to prioritize.

Female #3: I don't read the product bulletins ... because I get them twice.

Researcher: From two different ...

Female #3: I get them from two different channels.

Researcher: Do you get a lot of that ... is there a lot of redundancy.

Female #3: No

Male #1: The only thing that I have seen ...

## Appendix F (Continued).

Female #3: Usually, if I get something twice, I try and stop it.

Male #1: The only thing that I have seen in our system as far as redundancy is concerned, is, is, ah purchase orders. Uhm, somebody puts in a purchase order and the whole group gets copies. This is not necessary ... if I approve a purchase order and all of you are in my department, then, you know, every one of you managers will have a copy of it ...

Female #2: That's controllable ... you don't have to do it that way.

Male #2: More than one copy.

Female #3: What?

Female #1: Yeah?

Female #2: Just say that you don't want it that way ... talk to your systems manager.

Male #2: But ... there's only one cost center?

Male #1: Oh no ... you're all (gesturing around the room) in different cost centers. I have ... I have anybody in 01, 02, 03, will get the same thing, unless ... someone else approves the purchase order then we'll get one copy ...

Male #2: Now you get a different e-mail for each stage ... like if it's created, then ...

Male #1: Uhm, uhm ... uhm, uhm.

Male #2: It's approved and verified ... and you'll get it to tell you it's next step.

Male #1: It tells you, for example, if I, if I, if I approve it, right ... it goes to John Doe or some other and he signs off on it ... it comes back to me and I sign it and turn it over to purchasing. Well, I will probably get ... it tells me what's happening to that (others are bored with the discussion), but if I'm the person that signed off directly on it, I will get back four copies of what is happening to it.

Female #2: Nope ... that's changeable ... it doesn't have to be like that. Someone has designed it that way.

Female #1: Talk to John Doe because that's not right and I guess you keep getting the copies ...

Researcher: Well, what about the Intranet site? We'll just go around the room real quick, because I know you guys have things to do ... maybe tell me one or two things of how you would improve it and one or two things that you like. We'll start over here (gesturing to Female #4).

Female #4: The Intranet site ... well, I like the fact that there is this daily newsletter and you can go and get information. How to improve it ... it seems like the same message sometimes is there and it's old ...

Researcher: I'm not sure, but I think there's a thirty day drop-off for information.

Female #4: Uhm ... I like the Intranet site and I think we do a wonderful job of communicating on down, and I think that for those of us who are in positions where we have access to people who know a lot ... it's just very open communication, you can going in and talk to them, you know and ask them anything, but for a lot of people who are not in that position, there really is not a ... you know a feedback loop for them. So maybe something like a question to the CEO ... like ...

## Appendix F (Continued).

Researcher: You mean something like a question to the CEO section on the Intranet site ...

Female #4: Yes, right.

Researcher: Where there's a hot line set up that people can call into with questions they have and then run the answers ... a couple a week ...

Female #4: Exactly ... like a question or two a week, for people to ... write a question down, but not a complaint a question. I'm not talking about a complaint hotline, I'm talking about a question hotline.

Researcher: We have one in the military and it's the number one thing read in our papers. People open up directly to the page to see what the the boss is saying about the question. A lot of times it is a complaint ... a lot times its a good way to get out company policy to let people know what you are doing in certain areas.

Female #4 and the others mention they'd like that and nod/smile in agreement.

Researcher: Male #1, what do you think? Some things you like, some things you don't like ...

Male #1: Well ... I would not advocate that drastic of a change in the Intranet site. I think, I think that it does exactly what it's supposed to do, which is a basic tool to tell what's going on in the company. I'm not so sure that, maybe because I don't eat that often in the cafeteria, what's ... more ... ah, what's hot deals. I, I think ... to me that's irrelevant (laughing)...

Female #4: Most people like to eat.

Female #2 laughing and Male #2 smiling.

Male #1: Well, most people like to eat, but to me, if you want to know go to the cafeteria ... they post it right out front.

Female #3: Well, some of us in H-building don't want to walk all the way over there ...

Female #1: I don't walk down there.

Female #2 laughing.

Female #3: Just to see what's for lunch today.

Female #4: I don't have time ...

Female #2: Let's go walk in the rain to find out what's for lunch (laughing) ...

Male #1: I'm ... I'm sorry (laughing)

Female #1: (smiling) I don't want to walk all the way down there to find out that I hate everything and I have to turn around and go back and get my car.

Male #1: (laughing) Okay ...I'm sorry.

Female #2: (laughing) Please continue on ... (all laughing)

Researcher: I didn't mean to pressure you like that.

Female #1: (inaudible)

Male #1: That's all right ... I asked for it, right. But ... just to support what Female #4 said, as far as ... how the people ... cause sometimes they have these good ideas and they ... they probably push it up to me and I say ... well, I ... there's no funding for it I can't help you and I turnaround and I'll probably send it up to my boss and he'll say you know there's no funding for it or that thing, but if there was a vehicle through which some of this cost savings ... ah, cost-cutting information could be passed on to

## Appendix F (Continued).

senior management and have them give us a, yeah, we can implement this ... we realize the gain that is up-stream and maybe that's good for us ... or good for the company, because, I think, just like I keep telling them ... all good ideas are designed to save the company money ...

Female #3: Right.

Male #1: Maybe there's some ... maybe there would be a reward system or something for them or something of that sort ... I, I think ... I think if we institute that vehicle, we'd probably see a dramatic and drastic improvement in how business is done.

Female #3: I'm sorry, but I need to excuse myself ...

Researcher: All right ... can you go real quick. Anything that you can think of to add?

Female #3: I think the Intranet site is terrific. The best, I've ... I've been here for pushing 16 years and I think its really paid a lot of dividends. What probably could be better ... is the user content pages, below the newsletter on the front page. Which probably would get to some of the things that ... you know ... I was talking about earlier. (Inaudible) ... I mean there's a lot of stuff out there ... while you can look for it, sometimes it's hard to find. The search engine doesn't work real well ... I haven't used it lately, but I used to come back with some real funky results ...

Researcher: So what do you suggest?

Female #3: Maybe somewhat of a more standardized format ...

Researcher: Each page set up basically the same way.

Female #3: Yeah ... of course a standardized organization.

Researcher: Okay ... can I please have your drawing.

Male #2: You want these?

Researcher: Please. (All hand them in).

Female #2 to Female #3: In my case, one of our department's goals for 1999 is to update and re-vamp ... uhm, because we recognize that we put a lot of stuff out there and people don't know it's out there ...

Female #3: Yeah.

Female #2: And it's kind of like buried, so we're going to redesign it and we were just talking yesterday about doing ... and I want to get this group's feedback on this ... uhm, like a bi-weekly communication saying like little tips and techniques ... did you know about this and then link them to where (Female #3, uhm, uhm) our stuff is because one of our tools ... a fax, right fax, for faxing ... there are a lot of people that don't even know about it, and it's out there. There are a lot of pages of instruction to download and people don't know about it ...

Female #3: See, I know about your stuff ...

Female #2: Yeah, but a lot of people don't ... and we do have a lot of stuff, but it's buried and some of the information isn't up-to-date and we need to get rid of some things ... so that's one of our, we're going to clean up our pages.

Female #4: Maybe they need some form of table of contents ... you know ...

Female #3: Yeah.

Male #1: Right fax is the probably the best thing ... it saves me a lot of time.

Female #3 departs the room. and Female #4 follows.

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Female #2: (Laughing) You know I'm thinking, I have a lot of stuff under a tab that's called user support and my husband started here, you might know him ...

Male #1: Who?

Female #2: (Says name) ...

Male #1: Yeah.

Female #2: Well he started here last month ... and a fresh perspective ... I'm used to it, and I know where things are, but he says, you know I'll start it and I'll look at the Intranet site and you know ... where's your department's stuff ... I say there's a tab right on the main page, you just click there and it's all there. He goes, not obvious to me. I'm like ... whoooooa ... how many other people don't know that it's under user support, but it is and that's not clear, so ...

Researcher: Male #2, how about you? Anything you'd improve or any problems?

Male #2: Uhm, the uh ... from listening to this discussion, the biggest thing is, is just general communication, but ... from things I have read ... when you have a department that doesn't have the information it diverts ... it creates a division between those who don't and those who know what's going on. So if somehow we can solve the problem of making it more regular or open for them ... where, okay, I'm going to go and read this, it's okay for me to read this for five minutes, so they can know. And that, that, that goes a long in helping eliminate the us versus them, upper-management, no one talks to us. I've read, read up on this and it suggests that when people are informed, they know, they can understand how decisions are made ...

Female #2: Uhm, uhm.

Male #2: When they don't know, they start speculating and creating this ...

Researcher: Your grapevine. (all smile/laugh)

Male #2: Exactly. So I think I would, if I had to solve something ... yeah the content, people are going going to not know where something is ...

Female #2: Yes.

Male #2: Have trouble finding it ... it's a matter of getting used to it. That's going to be there no matter what ... it's the general, making it accessible, that I see the problem.

Researcher: Female #1 do you have anything.

Female #1: I like the Intranet site ... I read it every day when there's something new on it ... (Female #2 laughs)

Female #1: (smiling) And I also like, well, sometimes it sits for days and nothing new is added ... but I also like to, you can click on the news portion of it if you want to look at an old or a back copy of something, you know if you forgot or it's not on the page ... so I think it's very useful. But, I also think that you have to be able to access it every day in order to ... know it's useful. Speaking of our department (gesturing to Male #2), our group misses, uhm ... the old management used to like to, (Female #4 returns to the room) walk around down there and socialize a little bit with our people, which new management doesn't do. And they, they ...

Male #2: Who do you refer to as new management?

## Appendix F (Continued).

Female #1: Upper-management ... executive-level management, the old executive-level management would walk around and intermingle downstairs. They may not have been (smiling) the best management upstairs ... (others laugh)

Male #2: Right.

Female #1: But, they intermingled downstairs very well.

Female #4: They really did that very well.

Male #2: (smiling) I'd rather have good management that didn't walk around ...

Female #4: Right.

Female #1; But there are people in our group missing that ...

Male #2: You're right ...

Female #1: They kind of feel like the ...

Male #1: Left out.

Female #1: The left out person, because ...

Male #2: Yeah, uhm ...

Female #1: They don't feel like anybody cares about them.

Male #2: That's kind of my point. I wonder if they felt if they knew more, if they knew the pulse, knew what the pulse of the company was, if they would miss that as much. I don't know the answer to that, but the question in my mind is, if they really felt and knew what was going on ...

Female #1: I don't think they ... and I don't mean to interrupt you, but you've (gesturing to Male #1 and Female #4) worked with our department people so you both know them and I may be wrong, but I don't think that our people ... would take the time or want to take the time to go and read something. They would much ... prefer to hear it, rather than to sit and read it ...

Male #1: That's right.

Male #2: There's a different ...

Female #1: They're more visual then they are ...

Male #2: That's fair and that may be true.

Female #1: I think ... I may be ... (gesturing to Male #1)

Male #1: You also ... you also have to take into consideration, the, the, the ... uhm, education level of the group ...

Others all nod.

Female #1: Just be careful, because I just might be that same level (laughing)

Male #1: No you're not ...

Male #2: No ... no I realize it's a different ...

Male #1: It's a different category, uhm, of people, and you, you know, to speak to what Female #1 just said uhm, uhm ... if the CEO, for example, would come down to our department, immediately (snapping his fingers) what they're going to think is that we did something wrong ...

Female #1: Something's wrong.

Male #1: Immediately ... because he, you know the CEO can go two months, three months without even stepping into our department. No to say that he doesn't have, he may have a busy schedule, but as soon as he steps down there, what they're going to



## Appendix F (Continued).

think ... immediately is, we did something wrong, he's here to find out. Okay ... and that should not be the case (other nod in agreement).

Male #2: I, uhm, I'm all for it in general and it's not just the CEO, it's others like our VP, I mean what does he do ...

Male #1: Yeah, like the CFO, we see the CFO once in a blue moon.

Male #2: Uh, it's just not like that ...

Female #4: The main thing is that (inaudible) ... you've got problems (all laugh).

Male #1: That's unfortunate ... I'm not saying that ...

Male #2: I don't think that ... there's no time for it ... that's not going to change because it's very difficult, but I'm out of time.

Researcher: Well, does anyone else have anything else? Well thank you very much for coming and helping me with my research.

Appendix G.  
Personal Statement

As an Air Force public affairs officer, I have been personally involved in a vast array of crises, such as B-52 engines dropping off in flight, murders, environmental issues, employee cutbacks, etc., that have served to sharpen my interest in the research topic of crisis management. As a result of having gone through those crises, I have a full appreciation for the need to plan for what is truly inevitable in one form or another and I am truly interested in how to manage crises better.

Not only has this study given me the opportunity to further my knowledge of crisis management, it has also given me the opportunity to examine how other public relations professionals conduct crisis management. Through this initiative and the voices of the public relations professionals, the importance of internal communications became extremely salient. As such, I have already begun the process of examining how I had conducted internal communications in the past, how the Air Force conducts internal communications now, and how I can make improvements in the future.

In short, this has been an excellent educational process for me and I hope that I can continue to build on the foundation that this work represents.